JANUARY · 1949

Nation's

# BUSINESS





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Start doing it now! Keep on doing it! And in no time flat, you'll find that you're well on your way to a permanent separation of nose and grindstone!

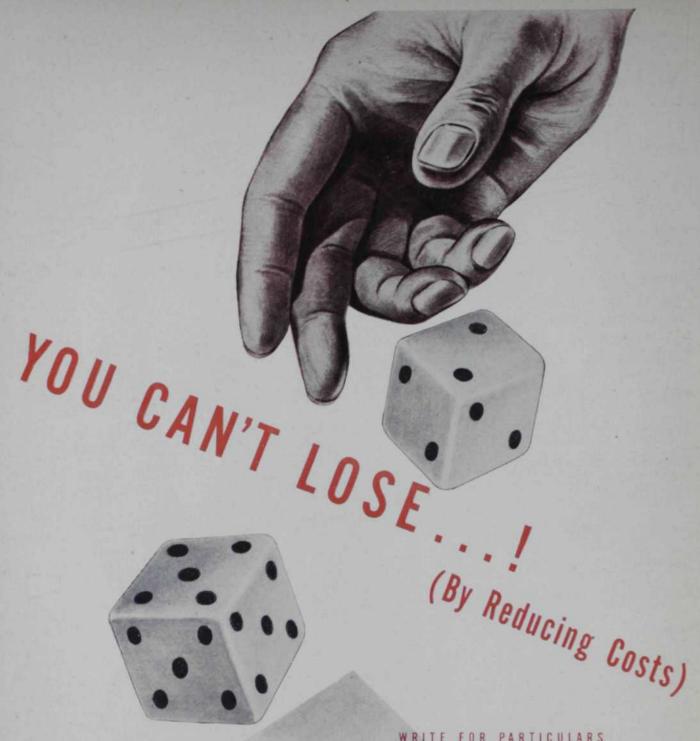
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# Nation's



# **Business**

PUBLISHED BY

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JANUARY, 1949 NO. 1 VOL. 37 8 **NB** Notebook 13 Management's Washington Letter TRENDS OF NATION'S BUSINESS 17 The State of the Nation Felix Morley Paul Wooton The Month's Business Highlights Edward T. Folliard **Washington Scenes** If Recession Comes Arthur Bartlett Today's thinking may save a lot of grief **Bugs Are Their Employes** J. D. Ratcliff 32 Penicillin takes on new luster Everybody is for It, But-Rep. Christian A. Herter 35 Federal reorganization is a migraine headache Uncle Sam Counts the House George Cline Smith Don't toss out that census-taker Where Did You Learn to Drive? Junius B. Wood 40 Lack of uniform traffic laws will cost 19,000 lives this year The Mine that Shook the World Sydney Morrell 43 A spot under the Arctic Circle is the center of the world Father Time's Big Night Out John T. Winterich 46 Everything will be the same only better From the Fruit Tree Learn a Lesson Frederic C. Wood 52 A little meditation with a pruning knife Samaritan in a Trading Post Oren Arnold 60 The trader who sells good will On the Lighter Side of the Capital 70 By My Way R. L. Duffus 76

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Hoover Commission report will be revealed to the nation. In "Everybody is for It, But-" Rep. CHRIS-TIAN A. HERTER of Massachusetts takes us behind the scenes to show us what is likely to happen after the unveiling.

Representative Herter was elected to Congress in 1943, after serving in his state legislature for 12 years, the last four as Speaker of the House. His name was very much in the public eye in the fall of 1947 when he headed the 19 man House Select Committee on Foreign Aid which spent four weeks in Europe to gather firsthand information on which to base the Marshall plan.

FROM fledgling mining engineer to one of the country's top science writers is roughly the story of J. D. RATCLIFF. Ratcliff, who was born in Huntington, W. Va., gravitated



toward one of his state's predominant industries when he went to college. He studied mining engineering at Massachusetts Institute of Technology, then went on to West Virginia Univer-

sity to specialize in coal mining. His graduation in 1925 coincided almost exactly with the collapse of the coal business, which solved a major problem for him. While editing a college magazine at West Virginia he had gotten far more interested in writing than in engineering, so he took the first train to New York when his course was completed. Once there, he went to work for the United Press. In time, this led to a job of press agentry and then on to editorial work in the magazine field.

In 1938 Ratcliff decided time had come to make a clean break with office jobs, and he started on the free-lance trail which he has been do "If Recession Comes."

HIS MONTH the long-awaited following ever since. Today, he lives up the Hudson at Palisades, N. Y. His home is a grand old house which boasts of a pipe organ and two kitchens-one for winter and one for summer. However, Ratcliff turns out the bulk of his work in a small apartment he maintains in New York.

> SOME years ago ARTHUR BARTLETT got into "Who's Who" when its compilers decided that he was, as they listed him, an "editor, author." Though Bartlett has done

some editing and has written some books, he prefers to think of himself, primarily and always, as a reporter. That was his title when he joined the Portland, Me., Press-Her-



ald shortly after his graduation from Bowdoin College in 1922. Seven years and four papers later, Bartlett switched to the magazine field, as associate editor of the American Magazine. His next move carried him to Country Home which subsequently made him managing editor. However, most of the time he was being an editor. he was also "being a reporter."

It was in 1937 that he quit editing to be a reporter full time. Except for a year in Washington, D. C., during the war as special assistant to the director of the Food Distribution Administration, that is what he has been doing ever

As a reporter Bartlett has written on almost all kinds of subjects for all kinds of magazines. He has interviewed, at one time or another, such assorted personalities as F.D.R., Henry Ford, Lou Gehrig and Grant Wood. Now he has added another notch to his typewriter by interviewing a host of business men for Nation's Business to find out what they plan to



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#### Anniversary ahead

THIS year will bring us nearly to the half-way mark of the twentieth century. It promises to be a momentous year for other reasons than this.

The 50 years we are in have been momentous, too. As bells and noisemakers hailed the new century we had finished up our "quickie" war with Spain-our first voluntary venture in the international field. From this contest with a third-rate power in behalf of a suffering people, we have emerged from World War II as the willing protector of all freedom loving people—and with the power to enforce that protection if we are compelled finally to use it.

So it may not be a happy year for those who seek relief from world tensions or even some domestic disagreements. But it should be happy enough for those who believe in their fellow man and are firm in their belief that right in the end must triumph. May it be Happy New Year for all!

#### **Business horizon**

IN VIEW of what happened recently to political forecasters and pollsters, it is likely that business prophets will be extra careful about the prognostications they pour forth as the new year begins. This can be counted on the fortunate side because so many of them in recent months had grown completely optimistic and for stretches of time ranging up to three or four years ahead.

"When everyone is singing the same tune about business prospects," says one commentator, "it is time to watch out." He recalls the Song of the New Era which was so popular in the late 'twenties.

On the present occasion what strengthened the boom-time chorus (especially before the election)

predictions of recession to come true. The extra-careful business observers urge that retail sales be watched closely.

#### Big names

IN EARLIER days public relations for business consisted more of keeping news out of the papers than getting it in, gentlemen of the press complained. Over the years there has been a change though here and there the old habit persists.

But what seems more striking is that today fewer "big names" stand out in business in spite of the remarkable growth of the comparatively new profession of public relations. At the turn of the century a dozen names would occur immediately to the average citizen as symbols of industry, trade and finance-Gary, Schwab, Morgan, Harriman, Gates, Wanamaker, Field.

Maybe there are too many entries now for concentrated public attention. Maybe the big business pioneers were more colorful and their successors deal with less spectacular (or speculative) affairs.

But the question poses itself: If business has lost its fabulous personalities, would that explain why the story of business is more difficult to convey to the citizenry?

#### **Human engineering**

FORD MOTOR Company revamped its top management after the founder passed away and the emphasis was upon industrial relations. John S. Bugas, vice president in charge of this vital department. calls the problem of human relations in industry "human engineering." He says the Ford studies have shown that the problem falls into two general areas.

"The first is helping the individual to realize his true importance." was perhaps the failure of repeated he told a meeting of management engineers, "and to see where his effort fits into our industrial economy. It seems to us that only in this way can we encourage individual initiative together with a sense of teamwork in the important enterprises of our country. After all, the success of all of us will always finally depend on the efforts of the individual.

"Second, it seems quite clear that we must learn how better to communicate with one another. People have a hard time getting along with each other if they don't know what's on the other fellow's mind. As managers, we must find better ways of explaining our policies and actions and, equally important, of understanding the point of view and actions of our employes—and the significance of both to our customers."

#### The Zebu sweats

TO CROSSWORD puzzle fans a four letter word starting with Z is undoubtedly "Zebu." To the Reigal Paper Company in North Carolina the Zebu or Brahma cattle may mean a new way of combining cattle raising with lumber production which is needed for making paper.

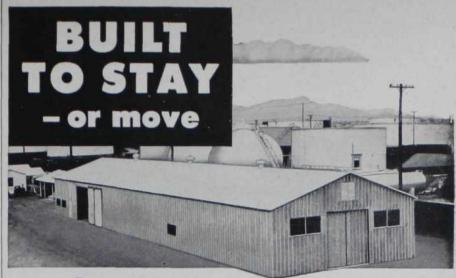
In the southeast part of the state on 90,000 acres of a wilderness these animals from India have been turned loose and appear to thrive on the sparse fare of wild grass, reeds and twigs. They are big, hardy, fast on their feet and stand the heat of the swamps because they sweat and ordinary cows don't. They don't mind ticks and other insects which worry other cattle to distraction.

Since it takes some time to produce income from growing timber, the production of beef over the interval holds out interesting possibilities. The Zebu, in short, may become something better than a crossword name.

## Checking prices

A WEEK or two ago it was possible to check the new weekly index of wholesale prices issued by the Bureau of Labor Statistics with its monthly index and see if the experts were right. The Bureau introduced its new weekly index toward the end of November to overcome certain weaknesses of its former compilation and especially to provide a counterpart of its monthly index.

The Bureau claimed that the new and abbreviated index (it contains only 115 commodities as against 450 in the discarded index) would make possible a good esti-



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mate of the monthly index in the first week after the close of a month instead of requiring a wait of three weeks for the monthly fig-

Thus, in the first week of this month it becomes possible to figure out fairly closely the December price index. A 14 month calculation, January 1947 to March 1948, proved the deviations averaged only 0.24 points.

While Bureau officials apparently feel good about devising a new weekly price index that eliminates important flaws in the old one, they recommend sticking to the monthly index when business contracts are linked to the Bureau figures.

#### Housekeeping note

FOR the first time since the war the stores will be able to go all out this month in their traditional January White Sales. Sheets, pillow cases and all the staple "linen" needs of the household will be found in generous quantities at the selling counters.

Prices are likely to be attractive, too, because mill inventories got a bit heavy as dealers pressed for lower quotations. Something like a "trade buyers' strike" took place and mill prices slumped sharply. Some of the big cotton goods converters who complained of the inactive trade demand pointed out that prices had eased a bit below the OPA level on basic weaves.

#### Big store moves

BRANCH store expansion by the big retailing organizations has gathered speed and there are other indications that the large stores are bent on making the business of shopping easier and faster for customers. It seems to have occurred to merchants that the days of the so-called "carriage trade" are over.

The addition of branch stores means that the store is being brought to the customer. Traffic congestion in the big cities was one factor and the customer movement

#### PACIFIC GAS AND ELECTRIC CO.

DIVIDEND NOTICE

Common Stock Dividend No. 132

The Board of Directors on December 15, The Board of Directors on December 15, 1948, declared a cash dividend for the fourth quarter of the year of 50 cents per share upon the Company's Common Capital Stock. This dividend will be paid by check on January 15, 1949, to common stock-holders of record at the close of business on December 31, 1948. The Transfer Books will not be closed.

E. J. BECKETT, Treasurer

San Francisco, California

to suburban centers was another.

Within the big city stores there is a good possibility that the engineering approach is going to be made to see how transactions may be speeded up just as new material handling methods are applied to warehouses and stock rooms. There are still some concessions to the idea of the "Gay Nineties" that customers have all the time in the world for leisurely shopping but there are more advocates now of the supermarket method—let them buy and get along.

Store hours are also coming under scrutiny. Soon it may be possible for the women who work to do something better than snatch a few minutes off from the luncheon period to make some necessary

purchases.

## By-product of war

NOT only the ordinary citizen but the scientist as well has seen fit to question wartime scientific discoveries which threaten the very existence of the world's people. The common man has a feeling that new weapons will not be fashioned just to be put on the shelf—and the scientist has a notion that his usual service to humanity is in grave danger of being reversed.

J. Carlton Ward, Jr., chairman of the board of Fairchild Engine and Airplane Corporation, thinks differently, and believes special emphasis should be given to the peacetime benefits which spring from military technology. In an address before the Academy of World Economics last fall he said:

"There are those who fear that atomic science has given man a weapon with which to destroy himself. No doubt that was said of gunpowder when it first came into general use and yet it would have been impossible to have built the huge engineering works, the dams, the highways and other vast public works that have improved the lot of man, without the harnessing of this chemical chain reaction that we call explosives."

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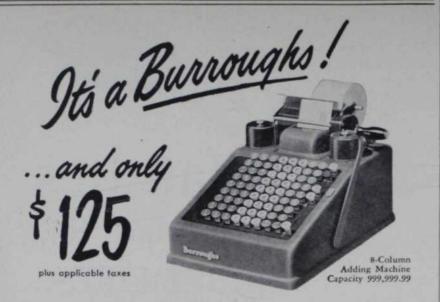


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"clinging bar" which is a straight piece with small projections. The old bar was hooked at the ends. used more steel and was harder to handle and ship.

The industry thinks half a dozen new types of reinforcement bar may emerge from its studies. The result will be smoother roads and stronger buildings.

#### Fine tobacco

CIGARETTE smokers can expect to hear new slogans fairly soon because our farmers have learned to grow Turkish tobaccos of better quality than what is imported. This is the claim made by Dr. Frederick R. Darkis of Duke University who told a group meeting of the American Chemical Society that the domestic variety tastes better and contains less nicotine. The socalled Turkish tobaccos are known as the "aromatic type" and are characterized by their small leaf and large volume of aroma.

Last year several hundred farmers grew this type of tobacco in small volume in experimental work carried out by Duke University in cooperation with the agricultural experiment stations of North Carolina, South Carolina and Virginia. To make up for the sun and dry weather of Turkey, farmers used reflecting surfaces, white-washed board platforms and bare earth.

The potential market is the 40,-000,000 pounds a year which have been imported over the past 30 years.

## Diesel jump

NO ONE has to be reminded these days that the diesel is on its way to becoming our number one prime mover. With the rate of growth established over the past seven years, diesel horsepower this year will exceed the 60,000,000 mark.

J. P. Ekberg, Jr., sales engineer for a division of Monsanto Chemical Company, explains in the company magazine that the January 1948 horsepower figure of 56,400,-000 was more than twice the total waterpower generated in all the nation's hydroelectric plants. Recently the railroads had on order a few more than 100 steam locomotives as against more than 1,500 diesels.

However, in the automobile field there is only promise for the diesel. As Ekberg explains it, diesels still cost too much for the pleasure driver. They are feasible mechanically but not yet practical economically. When they are, let's all hope for "fume eliminators."

▶BOOM'S OVER.

There's little doubt that U.S. business level is tilted downward. Question is: How far will it go?

More than three years of record-high production have caught up with effective demand.

Not only are pipelines full to overflowing, storage facilities are bulging.

Consumer shortages have disappeared. In their places are price-depressing surpluses.

Even automobiles rush into balance. In all but the very few most popular makes deliveries may be made from dealers' stocks.

Price cuts in the form of higher trade-ins already are in effect on less popular lines, and dealers talk privately of free heaters, radios to bolster sales.

Last quarter retail sales were generated by tremendous promotional drives and cut prices.

Business failures are rising. And the size of failures gets bigger.

During one week last month failures more than doubled the year ago period. Twice as many involved over \$5,000.

Not since the 1930's have there been such diverse layoffs as those in the past 30 days.

Workers were sent home from anthracite mines, cotton goods factories, hosiery mills, appliance plants, gray iron foundries, dressmaking shops, lumber mills, power shovel plants, at least one typewriter factory.

These are signs of repidly sharpening competition for consumers' dollars—the kind of competition that drives down prices, and profits.

It also drives marginal operators out of business.

MANY CAREFUL OBSERVERS still contend this year's problem will be one of inflation, not deflation.

Among these are the economic advisors to President Truman. They point out:

Government spending will rise, putting additional burden on an already full economy, adding to scramble for goods.

Labor will exploit its strategic position, increase pay of an already fully employed work force.

Foreign aid will rise, feeding inflation by cutting supply of goods to meet. U.S. demands.

These forces, applied to an already full economy, will exert upward push.

▶QUESTION IS: WILL RISE in government spending offset end of consumer boom? Frobably not.

# Washington LETTER

Best informed sources here estimate President's budget at \$45,000,000,000. That's about \$3,000,000,000 above current budget total.

Congress may add another billion.
Put together this would add less than
2 per cent to the business level, at
last year's rate.

It appears now that additional labor needed in expanding defense lines may be found on layoff lists at consumer goods plants shifting from catching up to leveling out.

► HOW MUCH GIVE is there in your business? How far can you go-downward-before you're in trouble? Can you stand 10 per cent drop in sales?

That's not much of a drop from recent level—yet steelmakers say less of a cut than that would have wiped out their 1947 profit.

Den't forget this: In any downward trend prices fall faster than costs.

Good idea to plan now what moves, what changes you would make if volume should drop 10 per cent-or more.

If you're bigger, have department heads figure costs, plans in event of lower sales.

Have plans ready. Den't wait until you are forced to make sudden, emergency-basis decisions.

Don't overlook frozen elements in your business.

Wages would lag because of contractsin your shop or others in same market. Rent, insurance costs move slewly.

Your bank loans won't be cut back 10 per cent, nor can due dates be moved back easily during downward trend. Your loans will be just as high, just as due.

And you can't quickly tear up 10 per cent of your longer term commitments.

There aren't any over-all antidotes for drop, but it's more important new than ever to:

Resist any increases in costs.

Avoid or limit borrowing.

Develop new products, new markets to offset those that may decline.

Avoid dependence on a few outlets.

The price tags to your goods that

Tie price tags to your goods that will move, not immobilize, them.

▶DON'T BE IMPRESSED by eye-appeal rugs or size—in extending credit. Healthy growth and overexpansion are

# MANAGEMENT'S Washington LETTER

identical twins—from the outside.

Make sure you have an inside view before extending credit that could pull you down with failing customers.

► LAYOFFS—OR A CLOSING plant—affect more than workers directly involved.

Remember, drop in employment tends to freeze funds in hands of others who fear they might be next.

These moves turn steak sales into hamburger all over town.

LOWER PRICES TAP new markets.

Cutbacks in business are caused first by withholding of purchasing power, not by deficiency of purchasing power.

Consumers still hold \$32,000,000,000 in E bonds. That's money put away to buy something after the war.

It's probable prices defer some wartime planned purchasing, that lower prices would attract it.

Prices stop business troubles—somewhere along the line.

SHEET STEEL SHORTAGE could ease abruptly.

Price cuts on refrigerators, washing machines, other sheet products, indicate they are backing up on dealers' hands.

Which bring up this question: How much hidden steel will be brought to light by signs price peak probably has passed?

It may come tumbling out in unexpected quantities from speculators, jobbers, fabricators.

There's no doubt some of these have been quietly building up stock as insurance against shortage—insurance they may decide they neither need nor want.

Hidden supplies never appear in inventory statistics, surprise markets.

SURVEY OF NEW Democratic Congress indicates attitudes heartening to business men.

That's essence of findings in nationwide spot check of members by telephone, personal interviews, written requests for views.

The 81st won't be a business Congress. But neither will it be the fire-breathing left-wing body feared by many business men immediately after elections.

Outstanding characteristic noted in spot check: Moderate viewpoints.

It's too early to be specific, even to seek specific information. Congressional leaders won't be able to gauge temper of new body for at least 30 days.

During that time they will be talking with members, asking: Who elected you? What were you sent here to do? What do you feel are your commitments?

Leaders will appraise Congress by attitudes, leanings they discover, try to influence legislation into acceptable form before it reaches floor.

Thus they would avoid open defeats, formation of opposition blocs, promote trades.

First few issues sent up by White House will be tests to find how far President may go toward carrying out campaign pledges.

Numerically, White House will have majority, can get anything it wants.

Actually, Democratic members range from far left to far right. Minorities tend to solidify. Coalition of conservative Democrats with Republicans would wreck President's proposals.

Here are present views on scheduled program:

Anti-inflation—Price, wage controls, compulsory allocations, priorities, will be approved on stand-by basis.

Labor law-Will take months of hearings, result in moderate act.

Minimum wages-Will go to 70 cents or higher.

Civil rights—Compromise bill will be enacted. What points will be covered is anybody's guess.

Housing—Slum clearance, low-cost home subsidies will be approved.

Federal aid to education—Probably pass with starter of about \$300,000,000.

Social security—Broadened coverage will pass, compulsory health program, no. Hoover Commission report—Will result in some changes, improvements in gov-

ernmental organization.

FARM INCOME THIS YEAR will about match 1948's record high \$34,000,000,000.

Farm prices will continue to settle. But this will be offset by greater production.

Thus farmers' costs will absorb a larger part of their gross income. Their net will be lower.

All this assumes good growing weather, no real recession.

Power of guaranteed price and market is shown by planting of 1949 wheat.

Government (which guarantees price, market by lending producers 90 per cent of parity) recommended 71,500,000 acres.

But it had no authority to hold planting to that figure.

So farmers this year will have about

80,000,000 acres in wheat. Which may bring all-time record yield—and vast oversupply.

Probable result: Government will buy wheat at support price, dispose of it below cost to promote consumption.

Present support law requires administration to make loans on wheat and other basic farm commodities at 90 per cent of parity through June 30, 1950.

After that loans may be slashed to between 60-90 per cent of parity at discretion of Secretary of Agriculture.

But 1950 is congressional election year. Farm leaders' talk now is of law that would increase supports to 90 or higher in mid-1950.

After that election would come the acreage limitations, marketing quotas that would restrict plantings—restrictions that farmers don't like.

As European demand for U.S. wheat falls watch for diversion of more grain to alcohol, research for more industrial uses.

FARMERS GEAR SPENDING to what they think is coming, rather than what's been. When they think of buying machinery, for example, they look at grain futures instead of their bank accounts.

Despite last year's record high income, and savings five times prewar, farmers became more selective buyers when their prices began settling last year.

Here's how one implement manufacturer describes market:

"A year ago when a farmer went into an equipment store to buy a rake and saw a corn planter on the floor he grabbed it and put it in his barn until Spring.

"Now he looks it over, tells the dealer he needs it—and says he'll be back in April or May."

▶U.S. AIRCRAFT INDUSTRY will operate in black this year.

Estimates place 1949 business at \$1,-600,000,000—40 per cent above 1948.

At least 85 per cent of it will be military.

Commercial transport business will consist of delivery of about 85 planes—balance of orders placed during early postwar flush of optimism. No more orders for these types are in sight.

Military production will total about 3,000 units compared with approximately 2,300 last year.

Industry's greatest problem is shortage of aeronautical engineers, designers. It offers to move whole family across nation to get a qualified expert.

Another problem is training work force to much higher skills required in build-

# MANAGEMENT'S Washington LETTER

ing highly complex planes. Employment will rise from present 190,000 to about 240,000.

TREMENDOUS COST OF COLD war will be made clear in President's budget.

Proposed expenditures for national defense, international affairs will total nearly \$23,000,000,000—about 51 per cent of entire budget.

In pre-defense 1940 these classifications took \$1,547,000,000, only 16 per cent of budget.

PLAN FOR GOVERNMENT corporation to develop new foreign sources of strategic materials gains favor within Administration. Proposal arises because of lag in stockpiling, 2½ years old in a five-year program, only 30 per cent completed.

Plan in talk stage is formation of public corporation to finance foreign ventures by private concerns.

▶ SOUTH'S EXPECTED SURPLUS of unskilled labor due to mechanization may never materialize.

Arkansas, for example, finds population of state going down, population in cities rising. Result of this trend is shortage of labor in fields.

Planters say unskilled labor is moving north and west, much in advance of the mechanization that was expected to disemploy it.

BRIEFS: Atomic furnace to be ready for operation at Upton, N.Y., this spring, will be 10,000 times strength of first atomic pile built at Chicago in 1942.... American Municipal Association says cost of general assistance for indigents has jumped 163 per cent since mid-1945.... Architects say brand new White House could be built for less than is being spent to shore up old one. But sentiment wouldn't allow it....Limited truce: Navy top brass moved to Army's Pentagon last fall as part of unification. Now they've set up their own mess so they won't have to eat with Army.... Frozen food locker owners plan promotional effort to combat falling business....Wool dealers complain European countries use ECA funds to bid up world wool prices, increase cost to U.S. public....Inflation note: Sale of falsies is booming.



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# The State of the Nation

HE PERIL of this nation," said the late Charles Evans Hughes while he was still Chief Justice, "is not in any foreign foe. We, the people, are its power, its peril, and its hope."

There is nothing novel in the thought that the power of America rests in its people. Feeble as we may be as individuals, we know that it is our cooperative activity which gives the republic both the prosperity and the strength which make it so outstanding. Nor is it a new idea that the hope of the republic lies in its citizens. Certainly every high school graduate has heard that particular homily, unless he or she slept through the commencement address.

But the assertion that the peril of the nation lies in its own people is arresting. It is the more thought-provoking when voiced by a man of the stature of Chief Justice Hughes. And the warning is not minimized by being cast in challenging form. How can the people of a country imperil it more than "any foreign foe"?

## Republics Can Degenerate

Those who are familiar with the histories of representative governments will quickly realize that Mr. Justice Hughes was not exaggerating. From the days of Rome, republics have succumbed much more frequently to internal degeneracy than to external attack. In this tendency to degenerate is found the continuing peril of a representative republic.

It is not in the nature of representative government to be of higher quality than the people whom it represents. In a dictatorship, where people have no say in the selection of those who rule, the rulers may be far superior—or alternatively far inferior—to the average moral and intellectual level of the subjects. But in a representative government those elected to office, and those appointed by the elected officials, will conform to the average of the active electorate. The word "representative" itself suggests that fact.

It follows that if the quality of citizenship deteriorates, the quality of representative government will also deteriorate. And this in turn means that if any large number of citizens are uninterested in superior governmental standards, these people do become—unconsciously—an actual peril to their nation.

There is a second way in which the citizens of a republic may imperil their country, without even realizing that they are placing something they love in jeopardy. In an aristocracy there is always a privileged class which, in return for privilege, is particularly solicitous for the welfare of the state. This privileged class, or estate, always interprets its interest as that of the people as a whole. But for that very reason it takes the responsibility of governing seriously.

Because Americans revolted against this unrepresentative form of government, in eighteenth century England, the political advantage of an aristocracy is still likely to be underestimated in our schools and colleges.

There is much that can be said against an aristocracy, but there is also something that

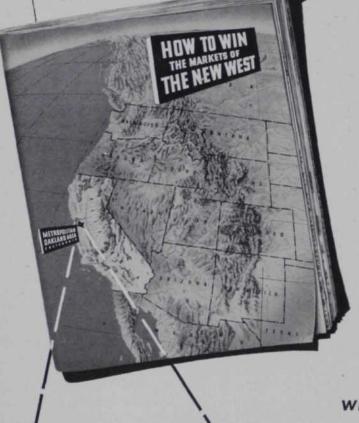
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must be said for it. Class government means not merely that one class shall enjoy perquisites denied to others. It also means that this class will continuously make patriotic sacrifices which are not expected from others. This sense of particular obligation is conveyed by the old French expression: *Noblesse oblige*.

In a republic, no element in the population is trained in this special sense of obligation. And a republic can be endangered by its own people when no element among them feels any particular responsibility for the national welfare as a whole.

In still a third respect the citizens of a democratic republic may unconsciously imperil their own institutions. Though none feel any personal responsibility for good government, yet all are inclined to believe that government owes them something.

## **Selfish Pressure Groups**

This one-sided attitude has been growing steadily stronger in the United States. In Washington now a virtual army of well-paid lobbyists continually endeavors to influence legislation in the directions desired by various pressure groups. And of late years we have moved from the stage of persuasion to that of punishment, in the relations between organized factions and the representatives of the people.

Thus a number of new legislators, in the forth-coming Eighty-first Congress, owe their presence here not so much to their own qualifications but rather to what are deemed to be the disqualifications of their defeated opponents. In the last election there was a concerted, and not unsuccessful, effort to retire representatives who had a record of voting "wrong"—from the viewpoint of a particular well-organized group.

We must face the fact that there is no longer any single group among the American people which habitually puts the national welfare as a whole above its particular interest. We must face the further disagreeable fact that there are many well-organized pressure groups which now openly place group interest above the national welfare. If there is any exception to this rule it is to be found in our professional military men. But it is scarcely consoling to be forced to admit that a true sense of citizenship is now confined to the higher echelons of the armed services.

There was a time when it was thought, and said, that business men as a class might come to form a peculiarly American aristocracy. The very real strength of that tendency was revealed by the custom of considering all legislation from the viewpoint of whether it was, or was not, "good for business."

A strong argument can be made for the thesis that business men are the natural leaders in American life. The contribution of this country, in the almost prodigal production and widespread distribution of material wealth, is without precedent in history. This achievement has been largely due to the initiative, resourcefulness and energy of business men, operating un-



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der the system of free enterprise. It would seem reasonable that a class which has demonstrated such ability should also be entrusted with the direction of affairs of state.

But since 1929 business, as the saying goes, has been "in the doghouse." And the reason for this goes much deeper than the depression. That alone would not have brought the protracted deflation of business leadership in general public estimation which has occurred.

The old aristocracies had the sense of *Noblesse oblige*. And something of the same sacrificial attitude can be observed in the new doctrine of communism. We shall not adequately recognize the strength of the "red menace" until we realize that the communist leadership is a dedicated body of men. They do not merely grasp for power; they also gladly assume the onerous and uninspiring burdens of community leadership.

#### **Business Suffered for Few**

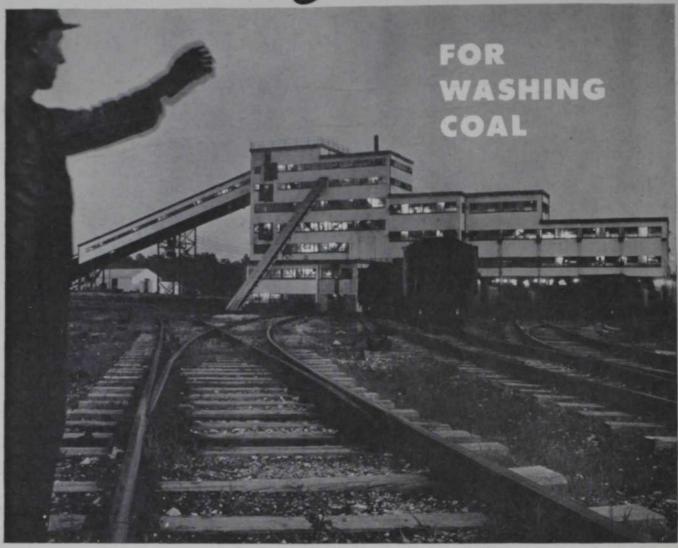
It may be questioned whether American business men, as a class, were ever fully prepared to make the personal sacrifices which are obligatory for those who seek to command political power. Long before the debacle of 1929, business leadership had accumulated a record of selfish, monopolistic practices which, in the public mind, went far to outweigh even its great constructive achievements. Business men also were a peril, as well as a power and a hope, from the viewpoint of the country as a whole. And, as happens when the pendulum of public thinking makes a violent swing, the just have suffered with the unjust.

The new Congress seems likely to demonstrate in no uncertain terms that business welfare is not its primary objective. Yet business welfare is essential for that of the nation as a whole—something which 1949 may well demonstrate to everyone. So the question of whether business may again expect to lead American political thinking is sharply posed.

The New Year is traditionally a time for reflections—and resolutions. Those of business men, this New Year, could profitably be more impersonal than is the custom. Business can recapture the position of political influence to which it is entitled by the importance of its contribution. But the prerequisite is development of that special sense of obligation which is the hallmark of the dedicated group.

—FELIX MORLEY

# Newest thing in Laundries—



To measure the water used daily in this modern coal preparation plant, a water meter would have to register in millions of gallons.

So great are the demands for water to wash coal clean that some mine-operators find it necessary to create lakes to assure an adequate supply.

New preparation plants that mechanically prepare coal for specific uses are only part of the modernization and mechanization program of the bituminous coal industry. They are important in keeping coal prices within reason despite rising costs. These costs, of course, include miners' takehome pay, which has tripled since 1940. Increased use of highly specialized machines for cutting, loading, and moving coal represents still another factor in keeping coal's price down.

To step up the efficiency of coal mining in the face of today's rising costs, even more mechanization of mines is needed. New and better machines, added facilities for cleaning and sizing coal, and new mines, too, are required to improve the supply of high-quality coal at reasonable prices.

All this will take hundreds of millions of dollars over and above day-to-day operating costs.

The coal industry expects to provide this money largely from earnings which will be plowed back into the business so that coal can still better serve the nation.

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# The Month's Business Highlights

USINESS has acquired such impetus that discouraging developments at home and abroad are being overridden. If the outcome of the election and the continued tension abroad are exerting a retarding effect, they have not registered as yet on the overall indicators. All the evidence shows

business as a whole advancing on a broad front with prospects favoring a 1949 increase in the gross national product, and in income payments. Any declines that have developed are more than offset by the increases in other lines. Prosperity

continues to prevail despite high prices.

Uncertainties growing out of the election and the prospect for higher taxes were expected to result in some cancellation of plans for capital expenditures but inquiry develops that instead an increase in such expenditures seems more likely. Heavy outlays for new machinery and for plant additions have played an important part in keeping business activity at a high level. Such contraction as has taken place in some areas is made up by expansion in others. Declines have been mainly in industries producing nondurable goods. Food and tobacco processors are exceptions to the general trend. There has been some shift from machinery purchases to plant construction. This is believed to be due to the fact that construction has lagged behind modernization. No changes have been made in the plans for large outlays by railroads and the power industry. The telephone system is enlarging facilities vigorously. The petroleum and chemical industries are enlarging rather than contracting their programs. Manufacturing enterprises are expected to use more than \$8,000,000,000 in 1949 for capital expansion, most of which will be taken from their own earnings, past and present. Some concern is felt in that connection. It is going to be very difficult to maintain earnings on so much high-cost plant and equipment.

#### Governmental Costs Mount

Reliance had been put in some quarters in the belief that capital expansion had about run its course. That would have been helpful in the effort to reduce inflation. With the pressure of capital expenditures increasing, and even greater pressure being exerted by states and municipalities for public improvements, the authorities are faced with new demands to do something to re-



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lieve the situation. While reductions in federal expenditures were promised in the campaign they are more likely to increase than to decrease. The Hoover report on government reorganization points the way to substantial economies but it will be difficult to get Congress to accept the recommendations.

Even if they are approved, the total of savings would be small in comparison with the total budget. A Treasury deficit will be hard to avoid. Indications are that inflationary forces will continue to dominate the economy. There is strong public support for foreign aid. This will be reflected in prompt appropriations for ECA to finish out the fiscal year from April 1 to June 30. The public also is demanding more highways and other public works. No decline in consumer purchasing seems likely in 1949. With the increases in wage rates that are taking place, prices of industrial goods will go higher. The mark-up in prices after wage increases will be almost immediate.

It will be difficult to keep defense spending under the ceilings being prescribed.

#### Farm Outlook is Good

Even with lower prices agriculture is facing a profitable year. The new Congress is disposed to be friendly in its attitude toward price supports and agricultural appropriations generally. Cash receipts from farm marketings may not continue at four times the prewar rate but they can decline considerably and still allow profitable operations. The decline in export demand is being offset by population growth at home. The increase of 15,500,000 in the population since 1940 has added substantially to the domestic demand for farm products. The outlookers, however, estimate that foreign demand for agricultural products will not fall below \$2,000,000,000 annually for several years. As long as unemployment stays under 3,000,000, it is estimated that farm prices will not fall below 215 per cent of the 1910-14 period. They are now around 290 per cent. The prewar figure was 107 per cent. The parity ratio in the next few years is expected to average 105. It is now 110 as compared with 84 prewar and 50 at the depth of the depression.

Although business is discounting day-to-day political developments in Europe, the situation interferes with long-range planning and discourages American investments abroad. There is more

# Can you answer this quiz about New York State?



1. Your business is in the world's wealthiest market when you're located in New York State. What, would you say, is the average per capita income of N. Y. State's 14 million consumers?

() \$967 () \$1.552 () \$1.633



As every manufacturer will appreciate, it's important to be near suppliers, as well as markets. How many of all 446 U. S. industries, would you say, are represented in New York State?

 () 126 () 375 () 422



3. In New York State you'll find skilled workers producing everything from gems to locomotives. As for time lost through strikes, how does New York's record compare with the nation's?

() Better () Same () Worse



4. Ship goods over New York State's 63,965 highway, 7,639 railway, 907 inland waterway miles. Planes from our airports fly daily to 273 U. S. cities and how many foreign lands?

()32 ()54 ()68



5. Complete banking, warehousing, harbor, and other facilities make the Port of New York ideal for international trade. But what is the nation's greatest inland port?

( ) Duluth ( ) Buffalo ( ) Chicago



6. We'll gladly supply detailed data on markets, manpower, taxation (it's low) and other subjects of interest to your business. Write: Commissioner, Dept. of Commerce, Room N1, 112 State Street, Albany 7, N. Y.



 \$1,633 per capita in 1946.
 422-or 95%.
 Fiveyear average is 42% better.
 68 foreign lands daily.

5. Buffalo, New York.



NEW YORK

means business

fear that Russia may ultimately obtain control of the German economy than there is that she will try to overrun Europe. Tension over Berlin seems to be petering out. When a question of prestige is bandied about for many months, it becomes ridiculous. Some way of saving face all around probably will be developed. Likewise a solution is in sight for handling the Ruhr. It would be too much to expect maximum production if an international commission were to attempt to run Ruhr industries. They will have to be run by Germans to get productivity from German workers. There is confidence that a plan can be worked out that will prevent those resources from being used against the democracies in the event of war. A satisfactory solution of the Ruhr problem will have an important bearing on ECA operations and consequently on the American economy.

What to do about aid to China confronts the administration with a more perplexing problem than either Berlin or Palestine. To withhold aid would raise a political storm. There is no practical way of extending help except to the government in which corruption and inefficiency are rampant. The administration would be open to the charge of pouring taxpayers' money down a rat hole. American business faces the possibility of being cut off from China by the iron curtain. That would increase the difficulties of carrying out plans to make Japan an asset to world economy.

## Wage Increases Slow Down

Indications are that the fourth round of wage increases will be less than its predecessors. The turn downward in the cost of living index robs labor of one of its most effective arguments. The full effect on the cost of living of the declines in agricultural prices is yet to be felt. Attacks by labor leaders on the accuracy of the consumers' price index of the Bureau of Labor Statistics show that they are alive to this weakness in their case. Two thorough investigations of the BLS cost of living figures, made at the suggestion of labor, have upheld the accuracy of the index. Another reason why labor is not likely to press for demands that will prompt last-ditch resistance is the effect a wave of strikes would have on public opinion and the rewriting of the Taft-Hartley law. The expectation is that demands for outright wage increases will be modest with welfare funds the chief objective. Other labor leaders are trying to emulate welfare pioneer John L. Lewis. The coal miner who quits at 62 gets \$100 monthly toward which he has made no contribution. With the \$30 or \$40 of government social security which he also receives he is in a better position than is a man living on the income from \$50,000 safely invested.

Restoration of an automatic gold standard

throughout the world must await economic recovery and the restoration of peace. There is very general agreement among the authorities that in the meantime present gold policy is in the best interests of the United States and of the



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world. Were the United States to quit buying gold at a fixed price there would be no standard and all countries would suffer. The value of the dollar would rise higher because it would be harder to get. Nothing would be gained by refusing to buy gold, but discretion as to sales is essential in order to keep gold out of the black market and to prevent its use for other purposes inimical to American interests. No legitimate foreign interest has complained that gold purchases could not be arranged readily. Return of gold coin to circulation would be no guarantee of stability or lower prices. The United States was on a gold-coin standard in the '20's when there was inflation and collapse.

• • •

Insurance companies are being accused of adding to inflation by dumping government bonds. On behalf of those concerns it may be said they are not earning enough on their investments to pay the interest rates guaranteed under their policies. Low interest on holdings of government bonds offsets higher earnings on mortgage loans and on industrial bonds. As a result, government bonds have been sold and the funds invested so as to provide enough interest to meet rates guaranteed on outstanding policies. Fire insurance companies, however, that formerly had only five per cent of their assets in government bonds have been forced by stock market uncertainties to increase to 35 per cent their holdings of governments.

Aid extended under ECA is being administered in a way that provides the maximum amount of repayment. Most of that repayment must be made in goods. This is accounting for a large part of our imports. The volume will grow as European production picks up. The excess of exports over imports has fallen decidedly. The certainty that the reciprocal trade act will be extended will make possible a long-range increase in imports which will have a far-reaching effect on American business.

Congress will have to improve each shining hour and a good many hours after dark if it handles half the legislation promised in the campaign. Much of the proposed legislation is controversial and certain to be time consuming.

-PAUL WOOTON



The Policy Back of the Policy—Our way of doing business that makes your interests our first consideration

In the sheltering circle of mother's arms, a child first knows protection... As he grows beyond babyhood he puts his trust in the security of the home... which you have the power to safeguard through insurance.

Be certain of protecting those precious surroundings against loss by fire and other hazards. Learn the fire prevention rules. Then, get the advice of your Hardware Mutuals representative on fire and extended coverage insurance for your home—or other properties. He'll explain how to get

the right protection to fit your needs . . . in line with today's replacement costs. The policy back of the policy stands for good management . . . financial stability . . . prompt, fair claim handling . . . nationwide day and night service . . . dividend savings every year since organization.

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# **Washington Scenes**

AGAIN. the historic mile between the White House and the Capitol becomes an avenue of triumph.

Grandstands are going up, flags and bunting are being readied, and the bands are rehearsing "Missouri Waltz" and "I'm Just Wild About Harry." Washington is braced for an invasion

by three-quarters of a million visitors, representing every part of the United States. It promises to be quite an Inauguration Day.

What about the hero of the occasion, President Harry S. Truman? How does he bear himself in victory? Is he, as the saying goes, feeling his oats?



There is a division of opinion on that here in Washington. Some observers think there is a sharper note of authority in his voice, a new air of confidence in his bearing. They suspect, too, that some of the old humility is gone.

Others—especially the professional liberals—complain that nothing much seems to have changed. The fact that Mr. Truman decided to keep Marshall, Forrestal and all the others in his Cabinet was something of a blow to them. They are saying now, as they have said in the past, that "Harry" seems determined to run the New Deal without New Dealers.

The truth lies somewhere between these two viewpoints. Those of us who covered Mr. Truman's two-week vacation at Key West, after his triumph at the polls, could detect little change in the man. He was elated, naturally. Who wouldn't be in the circumstances?

However, he was not exultant, and neither was he inclined to be vindictive. In his first White House press conference after his return to Washington, he said that he wasn't angry with anybody. That's the way it looked at Key West, too.

What has changed is not Mr. Truman, but the political climate.

In a sense, we are back to where we were in the late summer of 1945. That was the period of the first Truman "honeymoon." Relations between the White House and Capitol Hill were excellent then, a refreshing change from the later Roosevelt years. Then, on Sept. 6, 1945, the new President sent an 18,000 word message to Congress, and the picture was altered almost overnight.

In that message, Mr. Truman gave Congress a 21 point blueprint for a postwar "better life."



OF NATION'S BUSINESS

Unemployment compensation, a higher minimum wage, and housing legislation were among the things he recommended. For the most part, the reforms had been urged in the Democratic Party's platform of 1944. Mr. Truman, as a senator, had helped write that platform, and he felt now

that he was simply asking his party in Congress to make good on the pledges.

Conservative southern Democrats balked. In a coalition with northern Republicans, they succeeded in heading off action on most of the so-called economic bill of rights. From that point on, the cordial relationship between the Chief Executive and Congress deteriorated badly.

One of the reforms urged by Mr. Truman in 1945, however, did get on the statute books. The story behind it is an interesting one, pointing up as it does the fact that nearly all American legislation is the result of compromise. It is a story worth telling because it may illustrate what is going to happen to many proposed reforms.

The 1944 Democratic platform called for a guarantee of "full employment" and recognition of every American's "right" to a job. A bill to carry out this pledge was introduced in January, 1945.

President Truman, in the aforementioned message of September of that year, called for action on the bill. He said there should be "a national reassertion of the right to work of every American citizen able and willing to work. . . ."

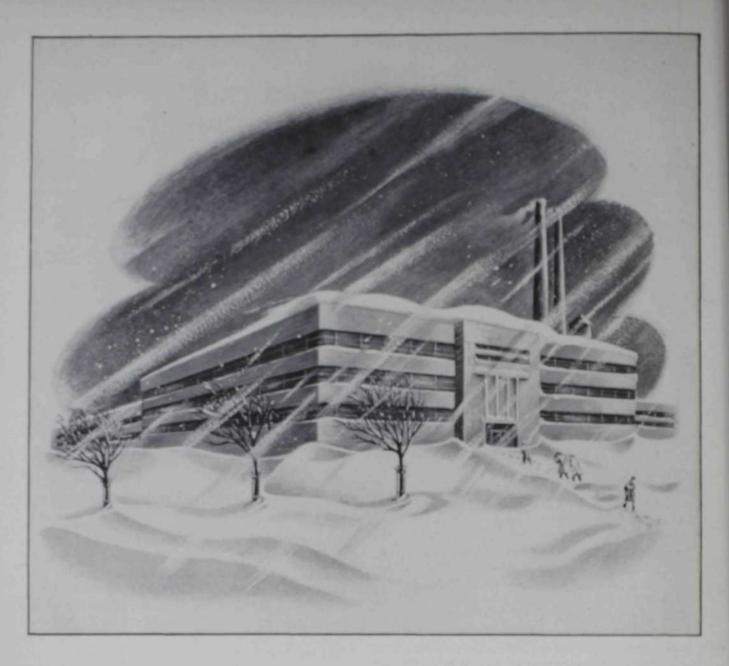
A terrific battle ensued on Capitol Hill. Foes of the bill said that, if Mr. Truman had his way, the result would be "socialism and destruction of our Government."

On its way through Congress, the bill underwent considerable rewriting. The controversial parts were ripped out. In its final form, under the title of the Employment Act of 1946, it declared it to be the policy of the federal Government to strive for conditions "under which there will be afforded useful employment opportunities."

## **Guides to Economic Destiny**

The Act set up a three-man economic council, the members of which would receive an annual salary of \$15,000 each. Their task would be to formulate economic programs to carry out the purposes of the legislation.

Mr. Truman, in signing the measure, said it was not all that he had hoped for. Nevertheless, he



# "I wish I was in Dixie"

When icy winds blow, what factory wouldn't like to shed its winter overcost and move 'way down South?

For here in the up-and-coming Southland, served by the 8,000-mile Southern Railway System, the birds are always singing and the flowers are always blooming. For here, an unbeatable combination of gentle climate and a generous Nature will make any factory stand up and sing, "Hurray! Hurray! I'm gonna live and grow in Dixie!"

"Look Ahead-Look South!"

Ernest E. normi



# SOUTHERN RAILWAY SYSTEM

The Southern Serves the South

congratulated both the Senate and the House and their leaders upon their "constructive and fruitful efforts."

He said that it was not the Government's duty to supplant the efforts of private enterprise to find markets, or of individuals to find jobs. But the people, he said, did expect the Government to "create and maintain conditions in which the individual business man and the individual job seeker would have a chance to succeed by their own efforts."

The men Mr. Truman picked for the Council of Economic Advisers—Dr. Edwin G. Nourse, Leon H. Keyserling and John D. Clark—are still on the job. Their office is in the old State Department, just across the street from the White House.

Dr. Nourse, the chairman, is a middle-of-theroad economist, who long ago made up his mind that he could never solve all the ills of the world. He seems to get along equally well with leaders of business, labor, agriculture and government.

This story of the "full employment" bill, it must be confessed, is not typical. Most legislation does not lend itself to that much give and take. Nevertheless, it does suggest what may happen, say, when Congress tackles the question of repeal of the Taft-Hartley Act. Almost certainly many of the provisions of that Act will be found in whatever new legislation is enacted.

. . .

So far as President Truman is concerned, there is one sharp difference between his position in 1945 and his position in 1949. In his early days in the White House, he was popular on Capitol Hill because he had served down there and because he was regarded as a "nice guy." There was one essential missing—respect. He has that now in abundance.

His position is further strengthened by this fact: that, while he probably will long remain a power in the Democratic Party, he is not running for another term. It has been more than 20 years since a situation like this existed, the last such President being Calvin Coolidge.

There is one other new aspect to the picture, and it has to do with Congress.

In his campaign, Mr. Truman's No. 1 issue was the Eightieth Congress—the "notorious, donothing, good-for-nothing Eightieth Congress." He excoriated it from one end of the country to the other, and the voters, accepting his estimate, gave both the Senate and House a face-lifting.

The point is this: As the Eighty-first Congress starts to work, it is very much conscious of the fact that, as a legislative body, it must redeem itself in the eyes of the voters.

This doesn't mean that it is going to be a rubber stamp. It probably does mean, however, that Mr. Truman's recommendations—including some that were blocked back in 1945—are going to be given very careful consideration. It probably means, further, that many of those recommendations, in one form or another, are going to be translated into law.

In the view of some, the President made so



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many promises in the campaign that he will never be able to redeem them. The implication is that he never intended to redeem them.

This assuredly is a dangerously wrong estimate of Mr. Truman. He has his faults, but guile and deviousness are not among them. He is one of the most forthright of men, who says what he means and means what he says.

The so-called Dixiecrats understood this very well. They had listened to Franklin D. Roosevelt talk about civil rights over the years, without getting upset about it. When Mr. Truman put forth his civil-rights program, they believed that he meant to carry it out; hence the revolt.

One of the reasons the President was so scornful of Governor Dewey's "unity" talk was that he is sincerely convinced that there is a profound difference between the Republican and Democratic parties.

What is that difference? He told the voters all over the country what he thought it was: The Republican Party is the party of "special interests," while the Democratic Party is the party of the people. Spelling this out, he often referred to what he called the "trickle-down" principle. The G.O.P., he said, believed in taking care of the big boys and letting some of the money trickle down to the little fellow.

"That's just the opposite of the Democratic way," he would tell the crowds. "Our primary concern is for the little fellow. We think the big boys always have done, and always will do, a good job of looking out for themselves....

"The people have only one representative in Washington who is all the time for the people, and that is a Democratic President."

It has been argued that this is a false picture; that it is demagoguery and that it is dangerous "class" talk. The fact remains that Mr. Truman believes it with a sincerity that can't be doubted.

For all that, he is a man of "quiet good will." He is intensely devoted to the Constitution and its Bill of Rights, is bullish about America's future, and is intent now on being a good President.

His goal, as he said many times in the campaign, is easily summed up:

"It has been the policy of this Government to work for peace and prosperity—peace in the world and prosperity in the United States, and that is the policy I intend to continue."

-EDWARD T. FOLLIARD

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plant in mechanization and modernization. Modern machines and methods can give your figuring and accounting procedures regular production-line efficiency and economy. Office mechanization can stop the addition of temporary help, lighten the overtime burden and solve the problem of rising office costs!

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# If Recession Comes

# By ARTHUR BARTLETT

MANY PEOPLE have pointed out that recession is a natural aftermath of war. They ask: "If recession comes, will we have a repetition of 1929?"

Arthur Bartlett has no crystal ball. Neither have the business men to whom he talked in preparing this article. They do not presume to answer certainly. Instead they are studying plans to increase efficiency, lower break-even points, build up inventories, bring greater sales. Perhaps out of their preparations others may find suggestions which, adopted, can prevent a new slump from catching them unprepared as in 1929.

Business men everywhere, it appears, are keenly aware of the possibility of a recession. They are also aware that even a comparatively minor drop in business would force adjustments—and quick adjustments—to keep them from going in the red.

But business men are also calmly confident of their ability to meet any unfavorable development that they consider possible in the immediate future. Raising the questions: "Could you adjust your business to a recession? What would you have to do? How would you do it?" brings answers which show that a new recession would not catch the country unprepared.

Techniques for meeting the challenge are various but the general opinion seems to be that wages, cost of materials and the other costs of doing business have risen faster and farther than selling prices could follow, making it necessary to depend on greater volume at a narrower profit margin to keep earnings up.

National figures bear this out. One recent cost account study indicated that of a large number of companies analyzed, only 38 per cent would break even under present conditions if their business volume dropped to 60 per cent of capacity, whereas before the war 58 per cent of them could have done so. Department store accountants report the break-even point in that industry at 72.2 per

cent of peak sales volume, and in one field of retailing it has risen to 77.3 per cent. So it goes.

Business men recognize this situation, particularly as it applies to their own field, and are taking steps to adjust to it even before any recession comes. A recent survey of 231 big corporations by the investment house of Merrill Lynch, Pierce, Fenner & Beane showed a postwar expenditure for plant and equipment rising from \$2,890,000,-000 in 1946 to \$4,065,000,000 in 1947, and to a peak of \$4,736,000,-000 in 1948, with this year's plans calling for a slackening to \$3,045,-000,000. The timing would seem to indicate a planned program to acquire more efficient plants and to install labor-saving equipment before any recession may strike.

A Boston bank president called attention to this trend in his area. "Our industry has been investing more in efficiency than in expansion," he said. "It is not so much interested in new plants as in better plants, because that means lower costs. This would be urgently important in a recession."

It was his view, in fact, that the very awareness business men are showing may well be a strong factor in staving off a recession. A Massachusetts manufacturer of leather goods gave a striking example of the sort of thing that may happen when there is less awareness. In the boom following World War I, he had made heavy com-

mitments for hides, he recalled. It was a period of such uninhibited speculation that hides, which had sold for ten cents before the war and had been pegged at 17 during the war, had skyrocketed to 60 cents. Then, in a mere matter of weeks, they dropped to six. "I lost money faster than I could count it," he explained ruefully. "Thank heaven we are not in that kind of a situation today."

Most business men, it is indicated, are keeping their commitments modest and watching inventories closely. Both the Boston banker and a Kansas City banker stressed this as a major reason why they think businesses in their respective areas are in a good position to go into a recession—if they have to do so. They also pointed out-and many business men confirmed it—that most businesses are making every effort to keep accounts receivable on a current basis, and that many are setting up reserves as a protection against possible losses by bad debts.

These are only precautionary measures, however, and the question remains: If recession comes, what then?

Almost as if it were a password, the first answer you get is: "Reduce overhead." Usually coupled with that is the equally easy-sounding formula: "Bat costs down."

Yes, but how? For the answers, let's get down

to cases. Here is a company in Connecticut that manufactures machine tools. Since these particular tools are semidurable, permitting customers to get along with a minimum of replacement in bad times, the business is subject to substantial fluctuations, depending on general prosperity. War industry took 100 per cent of its product during the war, with the result

not be enough. Production volume cording to his plans, with a consewould still fall-probably sharply. And, like so many others, he is operating on a narrowed profit margin, and depending on high volume to keep on making money."We have been making more money than ever, since the war," he added, "but on sheer volume of business. Our hourly labor rates are approximately 80 per cent

And any reduction below the 50 per cent level would necessitate reduction of employes in direct relation, since operation under 32 hours weekly is uneconomical. "Of course," he said, "no matter what we did, we wouldn't be mak-

quent reduction in take-home pay.

ing much money when we began to get down around our present break-even point. And below that, it would be very rough."

"What about wage cuts?" I

He shrugged. "We have a contract with a CIO union," he said. "It's a good contract, I think, It's based on time-study production standards and individual incentives that permit the average employe to earn bonuses of approximately 20 per cent. Our relations with the union are good. But I don't think we would be able to get any wage cuts accepted until things were very bad, indeed. Executives' salaries, yes; they would be hit early, and if things got down near rock bottom the old man wouldn't be drawing much of a salary-if any. But I wouldn't figure on any cut in hourly rates until it was pretty obvious that it had to be done-or else!"

That, incidentally, was the general opinion found among most business men. Many of them did bring out, however, that worker efficiency almost automatically increases in bad times-as the worker puts more value on his job-and this brings unit production costs down even without a wage cut.

This being so, one Connecticut hardware manufacturer said that. instead of reducing his work force, he would go on manufacturing and building up his inventory as long as he could afford to do so-or, at least, until it became evident that the recession was to be of long duration. "Too many business men," he insisted, "don't understand the impact of their own actions. They lay off help, the government has to take relief measures, taxes go up, and the load impedes recovery.

A number of other manufacturers spoke also of the possibility of maintaining production and letting inventory pile up, at least for a while, in order to hold their working organizations intact. One. a Missouri manufacturer of theater supplies, declared that before he would resort to lay-offs, he would cut advertising, curtail his sales force, and tighten up on everything from light bills to paper clips.

Yet the head of a large Rhode Is-

BECAUSE financial security is the thought uppermost in every man's mind regardless of the times, the question "What will happen to wage rates?" is asked early in any discussion of recession. The answer, as manufacturers see it, is encouraging to labor, disturbing for executives.

that it went into the postwar period with a big backlog of orders. It built up to a peak volume four times what it had been before the war. Production is based on a careful survey of potential business every three months, and has now receded 16 per cent from the peak.

"We have not had to lay off any employes because of that drop, the head of the company said. "We normally lose about two per cent a month anyway, in good times, and at least one per cent even in bad times because of marriages, deaths or other personal reasons. These normal terminations have automatically adjusted our working force to the drop in production.

"To counteract such inevitable drops we maintain sales research and new products engineering departments, and through their efforts we have introduced new products. If we hadn't, our total drop in production from the postwar peak would have been about 25 per cent."

Walking through the plant he showed me, in the research department, a new product that is not yet on the market—an engineering advance in the line. "We plan to put this on the market next year," he explained, "and it will tend to counteract further any falling volume that there may be in our present products. If there's a real recession, it will be a big ace in the hole."

Yet, this alert manufacturer admits, trying to combat a recession with new products would surely

higher than they were before the war, whereas our selling prices are only about 25 per cent higher. We figure our break-even point now at 60 per cent of our peak postwar volume-and that's more than twice the volume on which we were operating, and making money, before the war.'

He has therefore worked out detailed blueprints of the adjustments that would have to be made at different levels of production to push the break-even point down. These tentative budgets indicate what inventories, cash, accounts receivable and overhead should be at various levels of production; but since labor is the major cost item, it is here that the major adjustments would have to come.

Normal terminations of employment, this manufacturer figures, would automatically take care of any decline in production up to ten per cent in a year, but any decline in excess of that would have to be met by reducing production hours. As current production is on a two-shift, 40-hour basis-75 per cent on the first shift, 25 per cent on the second-elimination of the night shift would be one of the first steps. This would not necessarily mean laying off 25 per cent of the employes, he points out, as normal terminations would account for about half the reduction in a year's time, and night-shift operators could be transferred to the day shift. Any further drop in volume below 25 per cent of the peak, however, would require a change to a 32-hour week, acland machinery company asserted that advertising and sales were the items that he definitely would not cut. "I would put on salesmennot fire them," he said. "That's what we did in the big depression, and the result was that we came back afterwards with a bang, and quick. I would also try to keep the research and development programs going full blast. I would try to keep our line up to date, and to expand it where this was sound and desirable. And I would make periodic reviews of selling rates to make sure they were in line with costs and the market. In other words. I would not only try to reduce the costs of doing business, but I would try to sell more goods."

This particular company, its president declared had already come into a period of spotty business in the last year, and had been adjusting accordingly. "We have curtailed a good deal," he said, "but we are not down to bedrock, by any means. We can go further, if we have to, though I hope the turn will be in the other direction, and think it should be."

A weekly report of productive labor activity and overhead serves him, he said, as "an active deflator" when department heads argue that further cost cuts are impossible in their departments. "I get out the sheet for another index period, and you would be surprised how often it proves that the same production was being reached with fewer errand boys, millwrights or other indirect labor." Major reductions have to come in factory overhead, labor and supplies, but the office force has also been substantially reduced, he added, as paper work has been reviewed to find out how much of it actually performs an essential service.

"If a general recession should set in and go very far," he said, "we would probably condense our plant. It was enlarged for our war work, and after the war we retained considerably more floor space than we used before the war. We could close down one building completely, and condense several departments; but we won't do it so long as we can keep the whole plant profitably busy."

This company's break-even point, in terms of the index of activity and labor hours, is analyzed constantly. "It acts as a red flag. If you are going to have to fire people," he added, "the time to fire them is before, not after, you get into the red."

The seniority employment rules same man-hou included in the contract with the southern mills."

union, as many others also explained, makes the problem of reducing the labor force more complex. "We can't pick the least effective and fire them," he pointed out. "We have to keep the oldest, and it may often mean firing the best. If a recession got too bad, I think we would just go to the union and try to show them that it doesn't do anybody any good to pyramid inefficiency—that the greatest good for the greatest number calls for the most effective work possible."

Because this problem has been a major issue in the controversy recently raging around Textron, Inc., and its decision to close its textile mills in Nashua, N. H., I went to see Textron's president, Royal Little. A surprisingly mildlooking little man, though a forceful talker. Little pointed out that something of a recession, industrywise, had already hit textiles, making it impossible for high production cost plants to compete. The controversial Nashua mills, he declared, had been producing wide muslin sheeting at the rate of 5.3 pounds per man-hour, as against 9.5 pounds per man-hour in some of the southern mills. This, he insisted, made it necessary either to get more efficient production from The head of another large textile company in Massachusetts asserted that his company had been making adjustments to the slackened textile business for some months.

"We are cutting down the number of days of work, however," he said, "not cutting out shifts and making lay-offs.

"When it is uncertain how long a period of recession is going to last, we think it is to the advantage of the employer, as well as fairer to labor, to keep the organization intact as long as possible."

A definite improvement in the productivity of labor is said to have been noted in this company's mills. "This is partly because people are conscious that there might be lay-offs," he said, "but it is also because we had to take any Tom, Dick and Harry we could get during the war, and a lot of them have dropped out—seniority rules or no seniority rules."

Wondering how a thoughtful labor leader might react to the questions put to business men, I visited one of the top union officials in Massachusetts, and found him in complete agreement that labor, in a recession, would have to face up to what he called "the grim, hard business of dollars and

LABOR LEADERS, as well as business men, are looking toward the possibility of a slump and accept the fact that unions would have to face up to "the grim, hard business of dollars and cents." Already they are studying how they can help pitch in and help solve productivity problems in a crisis.

the Nashua workers or to close the

The day I saw him, he had just come from a meeting with labor leaders, at which an agreement had been made for continuing production in at least part of the Nashua plant. "I think we are going to be able to get a reasonable agreement now," he said, "and be able to pick the workers to be retained on the basis of competency, with seniority governing only if other things are equal. Under these circumstances, and with changes in the plant, we believe the mill will produce more nearly on the same man-hour basis as the

cents." Many unions, he insisted, are trying right now to stimulate greater efficiency in order to offset any drop in business that may be ahead, and very few of them would refuse to pitch in and help solve productivity problems in a recession.

"During the war," he declared, "workers saw management operating on a cost-plus basis, often without any concern for cost or efficiency. It made some industries just a glorified WPA. Naturally, it takes time to dispel the idea in workers' minds that cost and efficiency are not important. It is a challenge both to management (Continued on page 57)

(Continued on page 57)



# Bugs

WITNESS a scene in the plant of one of the country's biggest drug makers: Men step into a stainless steel cubicle, stark naked. From here they go through a door into an antiseptic shower. Then they dress in sterile gowns, caps, masks, cotton boots. Women workers follow a similar routine. The door to the next room, the work room, is hard to open. This room is under slight pressure—so air will leak out but never in. The air in this room is far purer than the air atop Mt. Everest. It is, in fact, the cleanest air to be found on earth. It has been passed through a precipitron which removes all dust particles, filtered through glass wool, and treated with ultra-violet lamps which destroy bacteria.

The workers are now ready. It is their job to prepare the test tubes of mold cultures from which pen-



# Are Their Employes

By J. D. RATCLIFF

icillin is made. The elaborate precautions to insure absolute purity are made for good reason. A single test tube of the mold, Penicillium chrysogenum, is eventually des-tined to "seed" a tank which may hold 20,000 gallons of "broth"—food for the mold. Just as a cow consumes grass and makes milk. the mold consumes broth to make penicillin. If a contaminating microbe slips in, the whole investment goes down the sewer.

In just seven years, penicillin has turned in an incredibly brilliant record of lifesaving. In the United States this year, at least 50,000 pneumonia victims will owe their lives to the drug. Uncounted thousands of people suffering from other infections can thank the magic white powder for the fact that they walk out of hospitals.

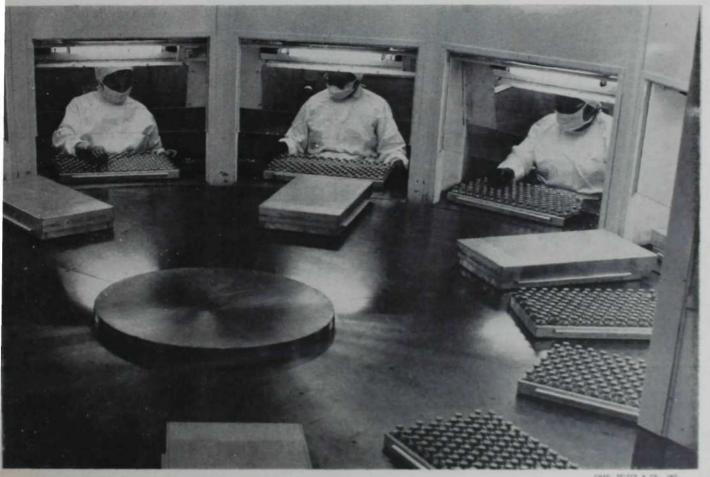
During this seven-year period,

penicillin has grown from an expensive laboratory curiosity into the biggest selling item in the drug trade. Where it was once produced in pitifully small quantities in laboratory flasks, it is now a massproduction item made in vats as large or larger than railroad tank

Penicillin is a success story unmatched in our industrial history. Five years ago, no one could have anticipated its mushroom growth, or have foreseen the apparently insatiable world hunger for the drug. During the war, American manufacturers set their sights as high as optimism would permit, and guessed that the country could consume a maximum of 5,000,000,-000 units of penicillin a month. Current production is 1,600 times that figure-8,000,000,000,000 units a month—and no leveling off point is in sight. At present wholesale rates we are producing close to \$200,000,000 worth of penicillin a

Soaring production has stamped out the world black market in the drug. At one point, American sailors in foreign ports could sell ampoules of penicillin at almost any asking price-the price often being that of a life. War fliers, mustered out overseas, did a thriving business. In surplus planes bought for small sums, they carried the drug to backwoods Africa, the Near East, the interior of China. Wherever they went, the word of penicillin's magic had preceded them and there were ready buyers.

It isn't likely that any manufactured product has ever taken the dramatic price drop that penicillin has recorded. The first quoted price was \$20 per 100,000 units. Of-



ten as not, this was a highly unrealistic price—it costing the maker far more than \$20 to make. Today, the crude drug may be had wholesale for as little as ten cents per 100,000 units. To get a better idea of what current prices mean in terms of curing disease, note that penicillin for pneumonia may cost as little as \$1; for gonorrhea, 75 cents; for primary syphilis, where massive doses are required, \$10.

When penicillin first came along many research men thought it would be superseded by better drugs of the same type. Now they aren't so sure. More and more, they tend to look on penicillin as the most glamorous medicine ever discovered, and as one likely to hold

its place. It has an enormous range of activity and is almost completely nontoxic. So far, microbes haven't been able to build resistance to penicillin—as they have with sulfa. If anything, penicillin has improved its original performance—as more has been learned about dosage.

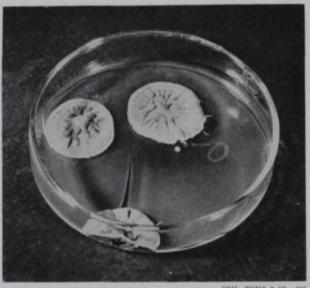
It is the backbone of the nation's war on syphilis. It is a sure, swift weapon against a host of diseases—certain types of meningitis, blood poisoning, childbed fever—and other maladies which once killed with almost 100 per centregularity. The luster of penicillin's name has brightened with time.

The drug available today bears little resemblance to the original. The first yellow-brown penicillins contained under five per cent of the drug. Today, white crystalline penicillin is almost 100 per cent pure. The early drug was highly perishable, had to be refrigerated. Today's penicillin lasts for years at room temperatures. Because the drug was excreted so rapidly by the kidneys, the first penicillin had to be given by hypodermic every two or three hours, or -in severe sicknesses-dripped into a vein on a continuous basis. Today's drug, mixed with things to make it less soluble in the bloodsuch as procaine, or novocain, and aluminum monosterate—lasts as long as four days in the body. The research advance opened the way for the one-shot cure for a great variety of diseases.

A new drug can be enormously interesting while still in the laboratory stage. But it does little good until it reaches the hospital shelf, the drugstore, the physician's bag.

Industry's job in putting penicillin in these places is perhaps the most heartening tale of enterprise ever written. Twenty-two American companies played significant roles in the task. One that played a stellar part was Charles Pfizer & Co., of Brooklyn. At one time, Pfizer made more penicillin than all others in the world combined. It is still the world leader in the field of antibiotics—medicines derived from microbes—medicines like penicillin, streptomycin.

Pfizer, a few months short of being 100 years old, started business as a processor of crude chemicals. It imported mud from the bottom of wine casks and from that mud made cream of tartar for baking



Penicillin cultures before going to "seed" tanks

powder. Concentrated citric juices came from Italy and the West Indies and were used as a source of citric acid, for flavorings. Crude camphor was brought from Formosa to be processed into the pure product.

It was citric acid that changed the course of Pfizer history. Mussolini, thinking he had a world monopoly in this important flavoring-it is used in candy, cakes, gelatin desserts, marmalades, soft drinks-hoisted the price of citric acid to \$1 a pound. Meanwhile, Pfizer chemists had been working on a mold of the Aspergillus family which could convert molasses into citric acid. The process cracked Mussolini's monopoly wide open, drove the price of citric acid to 25 cents a pound. Pfizer became the world's largest producer, and America became an exporter, rather than an importer.

This research ten-strike got Pfizer interested in processes of microbiology—processes where microbes do the work of men. It was this interest that led eventually to penicillin production. In many respects, microbes are the most attractive of workmen. They never want cost of living raises, don't strike. As long as they are fed, they work 24 hours a day—converting inexpensive things like grain into expensive things like whisky; milk into cheese, molasses into citric acid.

Industry has barely begun to appreciate the jobs these talented performers can do. Microbes are already at work producing vitamins, chemicals for resins and paints, flavorings, medicines. During World War I, a microbe went a long way toward saving the Brit-

ish Empire. Britain was desperately short of acetone, a vital munitions solvent. Chaim Weizmann, Jewish leader, found a bacterium which would produce endless acetone from corn mash. During the last war, the Germans, critically short of edible fats, found how to make fat from sawdust!

The key Pfizer products—penicillin, streptomycin, citric acid, vitamin C, industrial acids—are derived from fermentation processes. Since the microbes—yeasts, molds, bacteria—which bring about these fermentation processes are plants, not animals, Pfizer's Brooklyn establishment

is more like a farm than a manufacturing concern. Pfizer employes refer to the plant as "The Farm that Grows in Brooklyn."

Research men seek better microbes just as farmers seek better seed corn. They worry about means of coaxing molds and yeasts into top production, just as farmers worry about the fertilizers which will bring the biggest cotton or wheat yield. One fact will indicate how successful the researchers have been: it would require tens of thousands of acres of lemon and lime trees to produce the citric acid Pfizer makes on its eight and one-half acre Brooklyn plot.

Pfizer maintains an enormous microbe zoo—or better, botanical garden. More than 12,000 different strains are kept in glass tubes—and there may be 50 or more variants on a single strain. The total number would probably reach several hundred thousand.

Individual strains—say the fun-(Continued on page 58)

# Everybody is for It, But—

By REP. CHRISTIAN A. HERTER

YOU are the one who can make

plan for federal reorganization

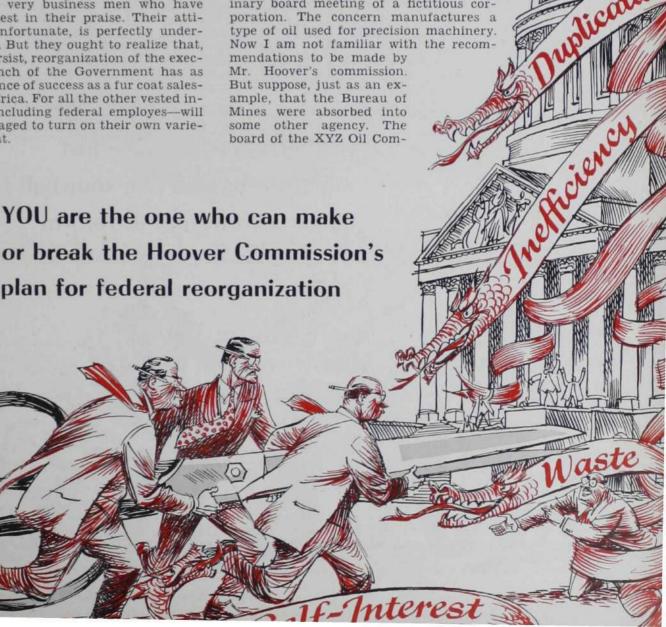
CRYSTAL BALL is needed to predict the reception which will greet the report on the reorganization of the federal Government when it is made public. The newspapers will hail the potential saving of billions of dollars. Our political and business leaders will praise the vastly more efficient executive machinery of the future. For some time it will look as though the reorganization plan submitted by former President Herbert Hoover and his commission will become law without difficulty.

It won't work out that way, however. It never has. Even before the cheers have died away, groups all over the country will be starting quiet campaigns to block this or that section of the proposal. And some of these groups, I am sorry to say, will include the very business men who have been loudest in their praise. Their attitude, if unfortunate, is perfectly understandable. But they ought to realize that, if they persist, reorganization of the executive branch of the Government has as much chance of success as a fur coat salesman in Africa. For all the other vested interests-including federal employes-will be encouraged to turn on their own varieties of heat.

All my friends in industry and finance constantly tell me they want "less government in business." They think they mean it, too. But the fact is that business demands, year by year, more and more services from Washington. Executives have long since grown accustomed to getting what they want from specific agencies. Their relationship with the officials who run them is cordial. If a particular agency is abolished for the sake of greater efficiency, some business men will have to make their contacts all over again. Like nearly everybody else, our business leaders are often allergic to change.

Further, the services rendered American industry by Washington often result in substantial financial savings. Let me illustrate what I mean by describing an imaginary board meeting of a fictitious corporation. The concern manufactures a type of oil used for precision machinery. Now I am not familiar with the recom-

mendations to be made by Mr. Hoover's commission. But suppose, just as an example, that the Bureau of Mines were absorbed into some other agency. The board of the XYZ Oil Com-



pany is meeting to discuss the

Director Jones: "We can't do anything to upset that bill. We all know that. It means savings of billions to the taxpayers.'

Director Brown: "That's right. All the industrial leaders of the country must support it.'

Director Smith: "I'm for the reorganization plan as a wholeheart and soul. But take this idea of shifting the Bureau of Mines.' Director Jones: "What of it?"

Director Smith: "Well, those folks have been doing a good job for us for years. They analyze our oil. How do we know the new agency will continue to do it?"

Director Brown: "Why can't we test our own oil?"

Director Smith: "Well, I've looked into that. I estimate it would cost us a couple of hundred thousand dollars a year."

And in due course, if the XYZ Oil Company happens to be in my district, I receive a letter from its board chairman. This assures me that he is enthusiastically in favor of reorganizing the Government. He has publicly so stated. But his associates and he would like to point to the minor matter of the Bureau of Mines. Why make this change? So I am supposed to offer an amendment to the reorganization bill which will preserve the Bureau of Mines.

Perhaps it wouldn't matter so much if requests for such special amendments were isolated. One congressman fighting single-handed to save a lone bureau could scarcely thwart the reorganization program. He might be an impressive debater and fill the Congressional Record with material that would convince his constituents he was on the job. But, no matter how forceful his arguments, they could may be many such pleas.

back that amendment to the reorganization bill which will maintain the status quo of the Bureau of Mines-the one my constituents have asked me to offer. The day that he reaches this high-minded decision he gets a barrage of telegrams from his own district, in California. He learns that adoption of the reorganization plan will mean the shutting down of a Pacific Coast navy yard, as of no possible value.

When I meet this colleague in the House restaurant he is in deep gloom. He tells me the curtailment of that navy yard will throw 1,000 of his constituents out of jobs, and the loss of payroll will be bad for business. Over the potato salad he recalls my interest in the Bureau of Mines and tells me I can count on his support to save that Bureau if I will help him keep his navy

Soon things start to snowball. A third colleague, from a farming area, says he's under pressure to prevent any change in the Department of Agriculture. A fourth. and so on.





### Uncle Sam Counts the House

By GEORGE CLINE SMITH

HAVE YOU ever sat up half the night trying to squeeze figures into those little spaces on a census questionnaire? If you have, the chances are that you have called the whole idea an invention of the devil

Well, it was. Back in 1017 B.C., according to the Bible, Satan had it in for Israel, and the meanest thing he could think of was a census. So he provoked David into wondering how many people he had in his kingdom. David appointed census-takers, against the advice of Joab, and they counted all the men in the kingdom WHEN THE census-taker drops around this year don't give him the quick brush-off. The information he will ask means much to us all

people in those days). The Lord was displeased, and visited a pestilence on Jerusalem which wiped out a large number of the people David had just finished count- in for a large share of this govern-

(women were not considered as ing, manufacturers, business-and will be meeting the census-takers

even of religions. And each census asks more personal questions than the last.

Business men have been coming ment-sponsored inquisitiveness of For David, taking a census was late. Manufacturers have just simply a matter of going around about recovered from the 1947 and counting noses. Now, however, census of manufactures, taken in we have censuses of housing, farm- 1948. The rest of the business men

census of business gets under way. (If the dates are confusing, they simply mean this year's census covers last year's statistics.)

Business men who remember past censuses will find, however, that some changes have been made. The Census Bureau has been mindful of the commotion caused by census-taking ever since the Devil conceived the idea, and for the 1948 census of business it tried to make things more pleasant for most (but not all) of the victims, who are generally known politely as "respondents." Some unkind souls may say that this increased consideration comes from fear of congressional budgetcutting, but that is beside the point.

However, in contributing information for the census, business firms will be cooperating in an important undertaking. The last census of this type was made in 1939, and the years since then have seen changes in the size, location, and characteristics of American business unequalled in any similar period. At present, we can only guess what these changes have been; and some of the guesses are based largely on imagination.

Wrong guesses can and fre-

come spring, when the new 1948 quently do have a direct dollarsand-cents effect on business. Consider, for example, the case of a national distributor who wants to get his sales program back on a sound postwar footing but who has to base sales territories and quotas on 1939 information. Or the air line, planning new feeder routes and stops which depend on business customers, forced to locate them where business was almost ten years ago. Or the manufacturer, trying to determine the ideal location for a new factory or warehouse with prewar product sales figures.

### Figures for the good of all

IF YOU happen to be one of the prospective "respondents," running, say, a village drugstore in New England, you may find yourself unmoved by the plight of the big national concern. You may say (as a lot of people have in the past): "What do I get out of it? Last time, I gave all this confidential information to a complete stranger, and never heard another word about the census. Just as if I'd thrown the papers down a well!"

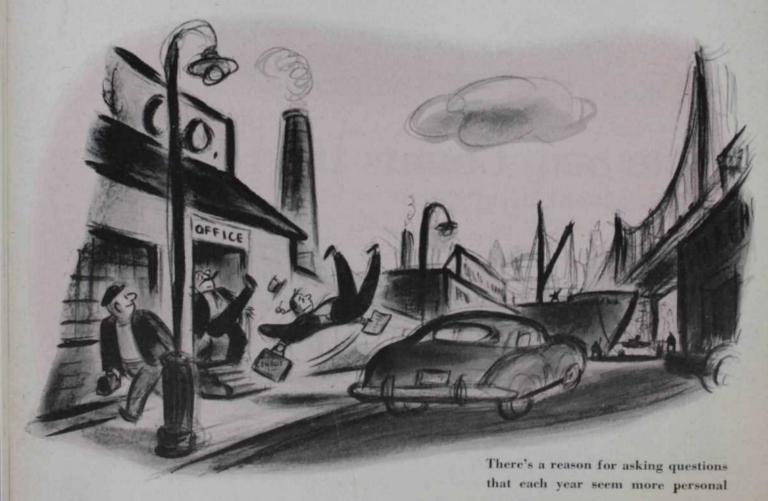
The fact is that you-like most of the people who provide the figures-may never see the published

census of business. You would have little use for it if you did. But the information will be used in your behalf, and to your advantage.

It will be used by growers, packers, refiners and manufacturers; by wholesalers, brokers and jobbers; by marketing researchers, advertising agencies, magazines, newspapers, trade journals, and radio stations; by railroads, truckers, air lines, and shipping companies; by city, county, state, and national governments; by tax experts, accountants, economists, statisticians, universities, and libraries; and perhaps most important for the small business man, by chambers of commerce and trade associations.

It is a safe bet that somewhere, behind every major program or project, behind every private or government report on business activity, behind most published statistics, there is a solid core of census information. The original figures will be disguised in many ways; and, since they aren't copyrighted, they will frequently turn up with other people's names attached. But the village druggist will find the census to which he contributed coming back to him in many ways, to his profit.

The organization which will pro-



duce the 1948 census of business seems very much like a large manufacturing plant. Located at Suitland, Md., a remote suburb of Washington, the Census Bureau occupies two buildings which are large and new, but a far cry from the magnificence that usually goes with the temples of government. From the exterior, these buildings would seem to belong to an uninspired junior high school; on the inside, they look like an unfinished warehouse. The warehouse impression is fortifled by the fact that almost all the corridors are lined ceilinghigh with boxes of old papers. The Bureau suffers from the file-itis disease which afflicts most government agencies—the papers multiply faster than the office space, and nobody has the authority to throw anything away.

In this state of far-fromsplendid isolation, a varying number of humans and

a truly magnificent battery of machines grind out statistics on an assembly-line basis. These statistics are prepared ("manufactured" isn't quite a fair word to use) from the raw data gathered, sorted and classified by editors and clerks, and punched on coded cards for automatic machine tabulation. Once assembled, the finished statistics are shipped to the consumer via press releases, preliminary reports and published volumes.

The problems of taking a business census are just about what you might expect to find in any factory operation. There are administrative headaches of personnel relations, morale, staffing to meet peak loads, and salaries; there are problems of product design, assembly-line layout, and communications; and there are the added features of budgeting and ticklish public relations which are common to government bureaus. Budgeting alone is fantastic. During the fall of 1948, census officials were carefully detailing their budgets for 1950 and 1951, as required by law; but they were in a state of complete uncertainty as to whether a new Administration would come into power, bringing with it new policies, and whether the long-awaited report of the Hoover Commission would revise the whole program of federal statistics.

Census officials have gone on This being true, there are natural-



The corner tavern "enumerator" made his money the easy way

planning for the business census, however. The project has been percolating along with a small planning staff for almost a year. During the summer, meetings were held with business and government representatives to design the questionnaires. By the time the meetings were through, the Census Bureau had consulted enough of the business community to be sure of two facts: The Bureau wouldn't be asking for information that business couldn't provide and that it wouldn't be collecting information that nobody wanted.

### Finding new businesses

HAVING decided what to ask, and how to ask it, the Bureau prepared what resembles a major military campaign. A skeleton chain of command, which will be based on nine regions with more than 300 local offices, will be expanded almost overnight into a field staff of 8,000 enumerators. More than 30,-000 large-scale maps have been drawn, one for each enumeration district. Millions of questionnaires and punch cards have been printed. And, perhaps most important, the names and addresses of more than 3,000,000 wholesale, retail and service firms have been collected.

Nobody knows just how many business firms there are—that's one of the reasons for the census. This being true there are natural-

ly no complete lists of firms. Of course, with the growing regimentation of the past few years, Uncle Sam does have more scientific means of keeping tabs on business men, and two agencies-the Bureau of Old Age and Survivors Insurance and the Bureau of Internal Revenue—have card files each covering some 3,500,000 firms. Some reliable private rosters, such as those for hotels and movie theaters, also have been worked in. But an undetermined number of new or very small firms will have to be found by workers pounding pavements.

A sizeable job, in itself, is the hiring of enumerators who will be the point of contact between the business man and the Census Bureau. Nobody knows whether staffing will be difficult or easy, but no census has ever had to find its enumerators in a tighter labor market. The majority probably will be students and housewives out to pick up a little extra cash. These enumerators must be given basic training in two fundamentals: courtesy, and business accounting. An enumerator who can't explain the terms used in the questionnaires is practically useless.

Every method so far devised for paying enumerators seems to bring out their worst qualities. Generally speaking, enumerators may be paid on a piece-work or an hourly

(Continued on page 74)

# Where Did Y O U Learn to Drive?

By JUNIUS B. WOOD

A NYBODY who has been behind the steering wheel of a car is a critic of traffic signs, pavement markings, speed limits and other rules of the road, which—like the landscape—differ in most every state and community.

The cost of this lack of uniformity over the years to drivers and to

the more numerous pedestrians has been terrific. The chances are that as more and more cars take the road there will be little relief unless concerted action is taken. Thus, 1949 becomes the critical year for the code of traffic laws and ordinances which is proposed for every state and community.

Paul G. Hoffman, former chairman of the Public Support Committee of the President's Highway Safety Conference, has estimated that even a reasonable application of our traffic know-how and reasonably widespread organization in our states and communities can mean an annual saving of 19,000 lives, 650,000 injuries and well over \$1,000,000,000. Consider, too, the frazzled nerves, time lost and arguments because of the non-uniformity of

the rules of the road.

Some of the differences are minor, others serious, but each means confusion and loss. A driver starts to make a "U" turn in the middle of a block and in the resulting traffic jam learns it is forbidden,

WE CAN save the lives of 19,000 persons this year by the adoption of uniform traffic regulations

and he must circle the block. To avoid delay behind cars which will turn left, he stops in a right lane before a red light only to learn he is in a town which permits right turns on a red light and he is blocking traffic. He circles another block before getting back on his course.

The first traffic light a new arrival sights on entering a town may be hanging over the center of the street. He decides that will be the style to expect, may see another several blocks ahead. Before he reaches it, a couple pop into view on corner posts. The wise driver must have eyes for above and both sides of the street in strange traffic.

Lights are not as varied as Joseph's coat of many colors, but the best informed drivers are puzzled by their variety and lack of uniformity. The approved three-color arrangement—red, amber and green, reading down—with additional green arrows at heavy-traffic city corners is not used everywhere. Springfield, Ill., sets some horizontally instead of vertically. In other places, the order is reversed and green is at the top, confusing if not suicidal for color-blind drivers who can get a driver's license in most states.





are properly installed amber does not follow red but only after green. That detail is often overlooked. An eastern city spent several hundred thousand dollars for street improvements but failed to make the slight change in switches for its new lights. When red changes to amber, pedal-happy drivers begin to barge into the crossing before traffic in the other direction has stopped.

A number of cities, as on certain streets in New York, use only two colors and lights change red or green without warning.

An idiosyncrasy to be acquired for New York driving is that when a red light shows anywhere ahead, all traffic on the street must stop at the next corner, though it may not have a light, instead of continuing, as customary, to a corner where a light is. In some cities, all lights on a main street may be coordinated or progressive and a driver at a fixed speed, usually indicated by signs, can go for many blocks without meeting a red light.

Some cities have lights on four corners, others on only two; in some on the near corner, frequently behind a spreading tree which the "Women's City-Beautiful Club" insists must not be chopped down; and in others on the far corner. A light-conscious western city has a string of amber discs between the red and green. Local psychologists say the soothing similarity to descending drops of orangeade assures nervous drivers that the green "go" light is approaching.

Unfortunately, lights aren't the only signals that can cross the motorist. Pavement markings have a queer way of doing that, too. In Illinois, Indiana and Ohio, a solid white center line on the pavement divides traffic and an extra yellow line on his side tells the driver where it must not be crossed.

"You can cross here and get ahead of that slow-

poke," a backseat driver can advise when West Virginia or Pennsylvania is reached and a solid white line replaces the yellow. It would seem so until one notices that a string of white dashes is now the center line. Maryland has still another color and style arrangement—yellow for the center and white on the sides.

One contrary-minded far western state uses the yellow side line to show where passing is permitted, not where it is forbidden. Iowa adds to the sign language of pavements with a "straddle" line for no passing.

Instead of skirting it on his left as other lines, a driver—if he knows what it means—keeps it under the center of his car. As two such lines are on curves and hills, without a center line, the space between may be mistaken for a traffic lane until the stranger meets the left side of a local cornhusker's car dashing around a curve.

In more than half of the states, the three-position arm signals are used—horizontal, left turn; hand raised, right turn, and hand lowered, slow or stop. Pennsylvania requires only a rigid arm for all changes and whoever is behind can guess what is intended. Maryland adds the trimmings of a pointed finger for left and a palm to the rear for slow.

Traffic signs are changeable and confusing but speed limits in populated centers are a greater pitfall.

Most states specify speeds, varying widely, for business and residence districts while many also permit cities, towns and villages to make their own decisions. According to the latest tabulations, nobody may drive through a business section in Virginia faster than 15 miles an hour while 30 miles is slow enough in Minnesota, Tennessee and Texas. Connecticut, Georgia, Louisiana, Missouri, Nevada,



Center stripe markings differ in meaning from one state to another



Arm signals tell one story in one state and another elsewhere

Whether you can pass a school bus depends on where you are



New York, Oklahoma and Vermont leave it entirely to city ordinances.

"Slow Zone Ahead" is the warning sign outside of one Michigan town, followed by "45 miles an hour limit" for two miles of main street—not loafing for any driver. Streets are posted in most towns but the stranger who has not read up on state law and local ordinances may meet a "friend" as he passes a crossroads state where they are not posted.

"Hey, you!" shouts a grim-faced authority. "You were doing 17 through town."

"But the state law says 20, right here on the back

of this road map," the driver protests. "That's all right but our town ordinance says 15,"

the one-man police force explains. "But you're a stranger. We'll give you a break. You can deposit \$10, if you don't want to see the judge."

Adding \$10 to the local revenues is easier than staying over to say, "Good Morning, Judge," and paying more. Changeable America is never monotonous for the long-distance driver.

The driver clocks the wide open spaces of Illinois at speeds that are "reasonable and safe." In Indiana, it's "reasonable and proper." Safe and proper mean go as fast as you like. In Ohio, 50 is the limit and it is permitted in West Virginia when a level stretch can be found among its mountains. Pennsylvania, which has had toll roads since colonial days, can allow 70 on its auto turnpike.

### Parking is hazardous, too

WHEN the motorist stops for the night he bumps smack into another set of problems. In some towns he can park all night on any street. In others it is forbidden on certain streets in anticipation of fires or snow removal.

In some the law tows an offending car awayowner paying the costs—but 18 hours is the usual definition of overparking. In Champaign, Ill., lights of a parked car must be on all night.

Minnesota, where many fingers are frostbitten in winter, has ordered flashing lights operated from inside, as required in Europe, to signal turns on all cars built after July 1, 1949

A car may be adorned with two spotlights in Indiana but only one in Illinois or Ohio while the other states restrict their use. In Illinois, he can have three fog lamps, two in Pennsylvania or the District, only white ones in West Virginia and what he wants in the others. No limit is placed on the number in the front seat as long as hats or avoirdupois do not obstruct the view in Maryland or the District but in Ohio the limit is two and in four other states, three. In Indiana, a sticker four inches square may be on the windshield, it may be two inches larger in Ohio, reasonable in Illinois, any size in West Virginia and forbidden in the others unless official.

About the only thing these few states agree on is that headlights must be dimmed when meeting other cars. Until recently, Alabama, Arizona, Rhode Island and Texas did not have such a law. A school bus can be passed on its closed side when children are getting on or off in Pennsylvania or the District or within cities in Ohio. Maine, Missouri and South Dakota are silent on the subject, while 20 miles is slow enough for passing in Utah; 15 in Oregon or Wisconsin, ten in Kansas or Mississippi and whatever a driver considers slow in Arkansas, Colorado or Delaware.

A driver depends largely on guesses and luck (Continued on page 68)

NATION'S BUSINESS for January, 1949

# Mine That Shook the World

By SYDNEY MORRELL

VHEN the telephone rang in the quiet Ottawa office, looking across the bright sunlit quadrangle to Canada's Houses of Parliament, the man behind the desk said to his visitor, "Would you mind waiting outside while I take this call?"

Then, when the sound-proof doors had closed, he said, "Okay" into the mouthpiece and began to jot down a series of notes and figures that had originated a few minutes earlier in another room nearly 3,000 miles away, a room lighted and heated against the rigor and day-long darkness of the sub-Arctic winter. Whatever the message said, its senders were placidly aware it would get a top priority: few Canadians get quicker official attention than the people of Port Radium on Great Bear Lake, where uranium ores are mined for atomic energy.

Here, in the land beyond the beyond, is the outpost of the atom, the most important single source of uranium in the Western Hemisphere. A generation ago, the lake was known only to Indians and a few white trappers, prospectors, bush pilots, and an occasional geographer. Today, on a rocky peninsula that juts out into Echo Bay on its eastern shore, live some 200 people, knit together in a tight little community that is every bit as fantastic as the treasure in the ground beneath them-fantastic in the sense that it is as near to normal living as any-

Sgt. Gordon Drinnan, a family man in charge of the Canadian army's signal base, is the community's chief communications contact with the "outside"

FROM a tiny spot under the Arctic Circle comes a vital ore for our national defense. How we get it is a fantastic story



thing can be in a land where not even nature is nor-

Twenty miles north is the Arctic Circle. Sixty miles to the east are the Barren Lands, hundreds of thousands of square miles where nothing will grow. Dig six inches below the surface and you will find ground that has been frozen the year round for thousands of years, part of a permanently frozen zone that has been recorded to a depth of 345 feet at Port Radium.

West of the settlement is the vast expanse of the Great Bear Lake, larger than both Lakes Erie and Ontario, and freezing to a depth of eight feet in winter. Even in summer, there is floating ice on the lake, but if you like fishing, you can catch 40 pound lake trout in its clear cold waters.

To the south, the nearest neighbors are the gold miners of Yellowknife, 300 air line miles away. Edmonton is 700 miles farther off.

There is no soil at Port Radium. The buildings are anchored to the bare rock, which this region's recent Ice Age has scraped clean of all its cover. Since there are no roads, nobody has an automobile, and the buildings are connected to each other by networks of plank paths and stairways.

In spite of such disadvantages, Port Radium has managed to evolve from a seasonal mining camp into a year-round community where family life can be lived as comfortably—so far as physical comfort is concerned—as in a city suburb. Many cities in the south of Canada have colder winter climates, and certainly no other mining settlement gets such community services.

Along the rocky slopes above the water front are dotted the duplex homes of the married folk, the bunk houses for the single men, the staff houses, recreation hall, commissary, cook-house, and office buildings. Near-by is the schoolhouse, built two years ago for Port Radium's 20 children. Farther beyond is the neat six bed hospital with its modern equipment and fluorescent lighting, and on top of the hill are the towers of the Canadian army signal base, which talks to the "outside" several times a day, keeps in touch with near-by aircraft, and sends out meteorological reports.

Three times a week, planes from the south taxi up to the jetties below the settlement, bringing mail and supplies. The planes are owned by the Eldorado Mining and Refining Company, the Canadian government corporation which owns and operates Port Radium and its secret refinery in the south. Supplies flown into Port Radium (and air is the only yearround method of transportation) average about 20 cents a pound.

In the three summer months, as many bulk supplies as possible are brought in by the long surface routes from Edmonton and stored in underground vaults in the mine itself.

A map of the territory gives only a vague idea of the difficulties of such lines of supply. The railroad from Edmonton to the end of steel at Waterways is nearly 300 miles long, much of it laid over muskeg where the line sags under the weight of the train. From Waterways, the route goes by river steamer for another 300 miles down the Athabasca River and across Lake Athabasca as far as Fort Fitzgerald, where impassable rapids force an 18 mile portage for both passengers and supplies. At Fort Smith, on the southern rim of the Northwest Territories, river boats take over again, going "down north" for around 700 miles, down the Slave River, across the Great Slave Lake, and down the wide Mackenzie River as far as Fort Norman.

This is the great transit point, not only for supplies from the south but also for the precious oil from the Norman oil fields, once the basis for the wartime Canol project that helped defend Alaska. The remaining 300 miles up the Great Bear River and across the lake is "home stretch" for Port Radium folks-the end of about ten days of continual

Oil is what enables the community to exist. It runs the huge diesel engines in the powerhouse, which generate 3,000 horsepower of electricity, to light the homes and drive the machinery of the mine, to pump the water and heat the steam carried through fat, sawdust-packed flumes into every home and office. The same power drives the huge pumps that are never allowed to stop sucking out the lake seepage from the depths of the mine.

When Gilbert LaBine first discovered and staked out the area in 1929-30, he was looking for gold. In those days, he was managing director of Eldorado Gold Mines, a private company whose gold mining operations in Manitoba were petering out. LaBine was near the end of his resources and was "grubstaked" to his survey flight by Western Canada Airways, a group of detached air lines formed by a Winnipeg grain baron. What he actually saw, as his bush pilot "steamboated" the plane at a height of 50 feet over mile after mile of rock, lake and stunted bush, was the cobalt bloom and copper-green of rock, which he suspected was pitchblende and which he felt sure contained silver.

The astonishing sequence to his discovery is that for the first 12 years of Port Radium's history, while LaBine strove to produce radium at a commercial

Port Radium, the hemisphere's most important source of uranium, is a town of some 200 people, most of whom derive their living from the near-by mines

price, uranium was a by-product which most people thought valueless: and for the first three or four years the mine could only stay open by shipping out its silver for refining at Trail, British Columbia. Today, radium is the by-product, and not only silver but 30 other minerals have been discovered in the mine, although air distances make them too expensive to produce.

When LaBine spotted the black pitchblende streaks in the rock, he went back to his base and picked up E. C. St. Paul, a fellow prospector, and the two set off to locate the area and examine it on the ground. Although it was early summer, the Great Bear Lake was still frozen and they had to fit steel creepers on their boots to make headway over the ice. After days of skirting round its deep bays, St. Paul went snow blind and had to remain behind in the tent while LaBine went on alone.

He verified the presence of both silver- and radium-bearing ore, staked out claims for the two of them and then went back with samples of the ore

to pick up St. Paul and take him "out."

When the samples were assayed, they showed that 100 milligrams of radium, then worth \$7,000, were recoverable from one ton of similar ore. It took another three years before LaBine could organize the (Continued on page 72)



# Father Time's

THE other day a neighbor of mine became the grandfather of a baby girl. The earth did not come to a full stop in its free-wheeling course. It did not so much as slow down. But even if it had started spinning in the other direction, I doubt if the new arrival would have noticed the difference. Not for some hours anyway.

I took the event in stride, myself. The young lady (I have since been formally introduced) merely represented, to me, the latest addition to my roster of acquaint-

The latest. Born 1948. Why, in the year 2000, I reflected, she will be celebrating (not too ostentatiously, in all likelihood) her fifty-second birthday. She will be considerably younger than I am today—considerably younger than her grandfather is. And by that time the art preservative of feminine allure, which isn't doing at all badly right now, will certainly have attained such a pitch of perfection that the more mature masculine necks will probably still crane at her as she goes tripping by.

The year 2000 and the year 2001, which will usher in the twenty-first century, are as near as that. I myself have seen one century come in, but I do not expect my luck to hold. However, several million Americans who are alive today (and not all of them in the bassinet or the rompers stages, by any means) will be on hand for the event.

Men had been popeyed with terror, I remembered reading, at the approach of the year 1000. They looked for a whole vast sequence of fantastic calamities, culminating in the destruction of the world. A lot of folks were disappointed (and even felt a little sheepish) when old 999 went out as quietly as a dropped feather and the year 1000 dawned, I trust, bright and fair, with light overcast and scattered snow flurries predicted for late afternoon.

In my mind's field glasses I began looking ahead toward the next occasion on which three zeroes will turn up on the cash register of

time. I decided not to confuse my mental picture with a lot of scientific and mechanical gadgetry-no Buck Rogers stuff, no Superman prodigies, no collapsible helicopters carried in vest pockets, no interplanetary communications systems. People, it seemed to me, would still be people. And I thought, too, that here in the middle, or almost the middle, of the twentieth century, it would be a good idea to look both ways-to guess not only how the world would react to the birth of the twenty-first century, but to see how it had reacted to the birth of the twentieth.

As I mentioned a moment ago, I remember greeting the twentieth century in person. My father and mother let me stay up for it. I asked if we might see the old century out by candlelight instead of the marvelous new Welsbach burners that were everywhere replacing the old flaring butterfly gas jets, and my parents said yes (I must have been a dear old-fashioned little cuss at the age of nine). I recall nothing else. I suppose whistles blew and horns tooted and bells rang, and that somewhere glasses clinked brim to brim, even in Middletown, Conn., but the sounds did not impinge on my ears, or at least on my memory.

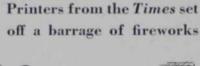
Here is how some of the rest of the world took note of the great

NEW YORK: There were no milling thousands in Times Square. There was no Times Square. The Times Building was down in Park Row-"newspaper row"-opposite City Hall, which was the center of festivities in the metropolis. Two thousand electric lights were festooned about the lovely edifice, illuminating a sign which read "Welcome Twentieth Century." Sousa's Band played, and the United German Singing Societies, 500 throats strong, sang. At 11:55 -but it is only fair to let the Times tell this part of the story in its own words:

"All work ceased for ten minutes in the composing room of The New York *Times* at 11:55 o'clock and



98





New York was the setting of the century's first wedding

San Francisco was on guard against the joyous wolves



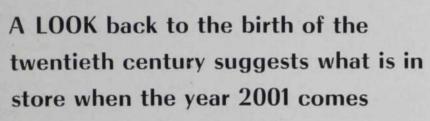
# Big Night Out

By JOHN T. WINTERICH

more than 100 employes trooped up to the roof of the building, each carrying an armful of Roman candles and rockets. As the hands of the City Hall clock dissolved into one, a salute of 20 heavy bombs was fired from the northwest corner of the roof and immediately the other fireworks were set off, each man holding two Roman candles, one in each hand. The curtain of sparks falling down the sides formed a veritable cataract of fire."

I take high delight in that picture of the skylarking printers in their rooftop ritual. They confined which that vast edifice was studded all the way from the sidewalk to the crown of William Penn's Gargantuan hat were therefore not nearly so out of proportion as the mere figures would indicate. But Philadelphia crowed about the statistics quite a bit.

CHICAGO: Mayor Carter H. Harrison's "request" that saloons close at midnight, a step designed to provide "a quiet end to the old century," didn't even leave the batter's box. Some drinking establishments actually did shut their



their celebration, apparently, to the simple joys of manual pyrotechnics, and partook of no internal stimulant-not at least until they had put the paper to bed. I have examined the next day's issue of the Times exhaustively, and I am able to report that it is as free from misprints as a hound's tooth.

"At the exact striking of the hour of 12," in the words of the impeccable Times, Charles E. McCue of Brooklyn and Maggie Kellegher of New York were married inside City Hall by Alderman Ernest J. Seeback-first bride and groom of the century. The event may have been intended to symbolize the creation of the greater city-Brooklyn had married New York only two years before.

The New York celebration cost the city \$2,500 but was regarded as well worth it, even though the evening was damp and chilly.

PHILADELPHIA: You could put several hundred New York City Halls into Philadelphia's colossus of municipal government, and the

doors-with hundreds of jovial, well-heeled clients inside, out of the snow. Most saloons didn't even do that. The hilarity was hardly counterbalanced by a mammoth undenominational watch-night service in the Coliseum conducted by the Red Cross Society.

WASHINGTON: President William McKinley and Mrs. McKinley, together with the President's brother and sister-in-law, Mr. and Mrs. Abner McKinley, solemnly saw the new century in in the Cabinet Room of the White House. It was the last New Year's the President would ever celebrate. Elsewhere in the capital, Baron Ladislaus Hengervar von Hengelmuller, the Austro-Hungarian minister, threw a party for the diplomatic corps. The survivors breakfasted next morning with Secretary of State John Hay.

SAN FRANCISCO: "No monkey shines this year" appears to have been the order of the day issued by Police Chief Sullivan. The 1900 celebration had been character-20,000 electric bulbs (ten times as ized by indiscriminate public kissmany as New York used) with ing on the part of persons who had



The confusion of dates will drive many bank tellers mad



New York Central director will face a novel dilemm

Time capsule openings will bare relics of this century



not been properly presented to each other. Chief Sullivan, the killjoy, planted five cops at each corner on Market Street and ten along each block. It was a cold, clear, windless (and comparatively kissless) night.

BUFFALO, N. Y.: One hundred and fifty members of the Sprudel Fishing Club, wearing costumes caricaturing Buffalonians of an earlier day, provided the most noteworthy feature of the parade that ushered in the new century. The citizens were thrilled at the prospect of the opening of the Pan-American Exposition; none could foresee the tragedy that would dim its glory eight months later—the assassination of a President of the United States.

ALBANY, N. Y.: Retiring Governor (and Vice President-elect) Theodore Roosevelt left his office in the state capitol for the last time and saw the new century in quietly. On New Year's Day he went to his home in Oyster Bay. On the following day he took the first degree as a Mason in the local lodge.

PORTLAND, ME.: This old-line prohibition state *legally* consumed 11,955 gallons of spirits during the final year of the nineteenth century, a good deal of it on December

31. Down-east lumberjacks favored a mixture known as "split," which was one-quarter wine and three-quarters grain alcohol. Let the chips fall where they may.

ANSONIA, CONN.: Mrs. Bridget McCarthy's claim that she was 107 years old, going on 108, was validated by the receipt of official documents from Ireland proving that she had been born in Mitchelltown, County Limerick, on May 19, 1793. Mrs. McCarthy thus became the first of a host of "three-century centenarians" whose names began popping into print all over the world.

BURLINGTON, IOWA: This community had, without wanting it, the distinction of playing host to the first big-money fire of the twentieth century. Two Main Street business blocks burned down January 1, with \$150,000 loss.

LONDON: Floods that would not be equaled in extent and property

damage for 45 years were ravaging England, and the Boer War wasn't going at all well, but there were impressive services in St. Paul's and Westminster Abbey, and Covent Garden was thronged with dancers in elaborate dress. Eightyone-year-old Queen Victoria was ailing at Osborne on the Isle of Wight.

ROME: St. Peter's was crowded with worshippers, and the venerable Pope Leo XIII (he was 90) celebrated midnight mass in his private chapel.

BERLIN: Kaiser Wilhelm II buttonholed American Ambassador Andrew Dickson White at the imperial New Year's reception and expressed pleasure at the fact that the Chinese question was approaching a solution. Three weeks later the emperor was to stand at the deathbed of his grandmother, Queen Victoria of England.

SYDNEY: The Commonwealth of Australia came into being with the new century. Thousands of celebrants marched under the "American arch," which bore the legend: "The United States Greets United Australia."

MANILA: General Arthur Mac-Arthur, military governor of the



And through the next century man will go on much the same

Philippines, presided at the New Year's reception which was the first social function ever held in the Islands to be attended by both Americans and Filipinos. Back in New York, at a watch-night service in Calvary Baptist Church, Rev. R. S. MacArthur (no relation to the general) said: "The world was never so good as tonight. The Bible

not been properly presented to damage for 45 years were ravaging was never so studied as now, and each other. Chief Sullivan, the England, and the Boer War wasn't science has become docile and revelling a plant of the constant and properly presented five constant and properly presented five constant and properly presented to damage for 45 years were ravaging was never so studied as now, and each other. Chief Sullivan, the England, and the Boer War wasn't science has become docile and revelling the constant and the constant and

Well, there's the picture (or pieces of it) of how the world saw the twentieth century in. Now let's look ahead at the twentieth century on the way out and the twenty-first coming in, with a few peeps at an even more remote future. I have numbered my observations for the convenience of yet unborn historians who may want to check on them:

1. The identical proportions of men and women who this year date their letters 1948 instead of 1949 throughout January (and even well into February) will write 1999 instead of 2000 throughout that January. Things will get a little better in 2001. Inevitably, there will be heavy casualties among stenographers during the early weeks of 2000, since altering 1999 to 2000 will involve four digits instead of one. The eraser traffic will boom, and those queer little celluloid or plastic doodads with holes and slits of different shapes which enable a typist to correct practically any kind of mistake without smoothing the carbon copy will be worn to tatters.

2. The ready-dated letterhead is itself pretty much out of date now—the kind that said "Belchertown.

Mass., ---, 19---" in neat Spencerian type that resembled fancy penmanship, only if you looked close you could see the little separations between the letters. Thousands of people were caught by that phony labor-saving device in 1900 and had to use reams of out-moded 18letterheads for doodling or ticktacktoe. But although the dated, or half-dated, letterhead is a back number, and should never have been invented in the first place, the dated check, for some reason, is still with us -an ungainly and archaic survival. Your own personal and business checks almost certainly have the printed 19-, and so, of course, do

the stubs.

Many a bank teller will become a candidate for thermotherapy in the early weeks of 2000 as a result of the thousands of checks passing through his hands which will carry either two inked-in 9's, or, worse yet, two inked-in zeroes after the printed 19—. Something could be done to prevent that circumstance

# WATCH OUT FOR





**COLDS** should be treated *promptly!* They often occur when body resistance is low, due perhaps to insufficient sleep, lack of fresh air, improper nutrition, or exposure to changes in weather. The cold may lower resistance still further and, if neglected, may lead to influenza, pneumonia or other infections.

**INFLUENZA**, while more serious than a cold, is not usually dangerous in itself. It may, however, weaken the system and pave the way for other illnesses. Fortunately, there is a new vaccine which has been used with considerable success against certain types of influenza. The doctor may recommend this vaccine if an epidemic threatens, if a person suffers from frequent colds, or if poor physical condition makes influenza a special danger.

PNEUMONIA is still a serious disease that calls for prompt diagnosis and treatment. The sulfa drugs and penicillin are highly effective in most cases, but they must be given early for best results. Your doctor now has a vaccine which provides protection against many of the most common types of pneumonia. One type of this disease, virus pneumonia, does not respond to the vaccine, sulfa drugs or penicillin. Although seldom fatal, it should have immediate medical attention.

The best protection against winter ailments is keeping in good physical condition. If you catch a cold, try to get all the rest you can, eat lightly, drink plenty of liquids, and cover your coughs and sneezes so that you will not infect others.

IF FEVER ACCOMPANIES A COLD, CALL A DOCTOR IMMEDIATELY!

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(A MUTUA)



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1 MADISON AVENUE, NEW YORK 10, N. Y.

#### TO EMPLOYERS:

Your employees will benefit from understanding these important facts about winter ailments. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards.

TO VETERANS-IF YOU HAVE NATIONAL SERVICE
LIFE INSURANCE-KEEP IT!

if we start working on it right now.

3. It will take a long time to develop a workable pattern of identifying the years of the new century in common speech. Today we say "nineteen forty-eight" unless we are running for office, in which case, for reasons I am completely unable to fathom, we say "nineteen hundred and forty-eight." Our descendants, no question about it, will call 2000 "two thousand." But what will they call 2001? Not, assuredly, "twenty oh one," "twenty one," "twenty hundred one," "twenty hundred and one," or "two oh oh one." Rather the choice will be between "two thousand one" and "two thousand and one." On the legitimate analogy of "nineteen one," "twenty one" would be perfect, but in practice it just wouldn't work-it would cause all kinds of confusion, create misunderstandings, and perhaps engender lawsuits.

Things will get a little easier after the first nine years—"twenty nine" would have all the disadvantage of "twenty one," but "twenty ten" is going to sound all right after people get used to it, and it can't cause any serious trouble.

- 4. By the year 2096, spring will have worked its way far enough backward to come in on March 19 instead of March 21. Don't cheer—winter will begin on December 19 instead of December 21. By the time 13,000 years have rolled around, the seasons will have been completely reversed—New Zealand and Argentina will enjoy white Christmases; London and New York will pick lilacs: Santa Claus, of course, will have moved to the South Pole.
- 5. One of two special problems will have to be solved by the groups most intimately affected as the twenty-first century draws near. The directors of the New York Central Railroad, for instance, will have to take up the question of what to do about the name of the Twentieth Century Limited. There will be two schools of thought among the members. The radical bloc will be hot for a change, and will put forward a plan for appealing to the public for suggestions, offering prizes of such magnificence that even the most lavishly rewarding radio programs will go begging for customers. "Bosh," the conservatives will mutter, and one waggish mossback will hold the proceedings up for 15 minutes try-

ing to recite the change-thename-of-Arkansas speech and will make an awful hash of it. Finally a middle-grounder will inquire: "How about calling up Twentieth Century Fox and seeing what they're going to do?" The chairman will instruct a secretary to call up Twentieth Century Fox. At that identical instant the telephone will ring (such an interruption may be without precedent at New York Central directors' meeting, but it will have to happen this once), and the secretary will answer it. After a moment he will look up at his chief in considerable agitation, place a hand over the mouthpiece, and report: "It's Twentieth Century Fox, sir—they want to know if the board is planning to take any action about the name of the Twentieth Century Limited."

6. On Jan. 1, 2361, the New York Central will have another problem on its hands. It will have to meet a \$50,000,000 first mortgage which it took over when it leased the West Shore Railroad in 1886. Or it can renew the loan for 500 years if it wants to—to January, 2861.

Back in 1863 the Pennsylvania Railroad assumed a first mortgage on the Elmira & Williamsport Railroad, which is 72.32 miles long, and that bill isn't due until May 1, 2862. (It's chicken feed, though—\$569,500.)

Nearly 50 rail issues due in the year 2000 or thereafter, in addition to some 20 utilities and a couple of industrials, are listed today on the Big Board.

7. There will be a supercolossal hooperdooper of a celebration on Oct. 12, 1992 (a Monday, if you want to make any week-end plans) in observance of the five-hundredth anniversary of the discovery of America. New York, Miami and Los Angeles will each want to be the center of festivities. Chicago will put in a claim on the basis of its success with the World's Columbian Exposition of 1893. Columbus, O., will nominate itself on the first ballot, and down-state Illinois will counter with "There's a whole bucketful of Columbuses, but we have the only Christopher." The 1992 show, wherever it may be held, will be the curtain-raiser for a whole series of twenty-first-century, five-hundredth anniversaries -in 2007, of the naming of America; in 2013, of Ponce de Leon's discovery and christening of Florida; in 2035, of Cartier's discovery of the St. Lawrence; in 2041, of De Soto's discovery of the Mississippi and of

Coronado's pioneer expedition into the Southwest.

- 8. In June, 2047, the Westchester County (New York ) Historical Society will break open the cornerstone of the suburban Lord & Taylor department store outside of White Plains and will discover therein (unless there has been some funny business in the meantime) an alligator overnight case, a jeweled lipstick holder, some vitamin pills, and a mannikin wearing a quaint 1947 ensemble. Provision for the opening of the cornerstone has already been legally made, and the contents itemized in detail.
- 9. During the first week of the twenty-first century, 7,341 dried-out Christmas trees will catch fire in the United States alone. This figure is subject to revision, probably upward. But—
- 10.— the Big Trees of California, the towering sequoias and the redwoods, will continue to take life as they find it. What's another century to them?
- 11. On June 8, 2004, the planet Venus will pass across the face of the sun. On June 6, 2012, it will do it again. Then, for reasons best known to Venus, it will skip to 2117. These transits of Venus will help astronomers plot the dimensions of the solar system, and they will be fascinating displays to the layman. Be sure to wear dark glasses.
- 12. I promised at the outset of this forecast that I would not load these observations up with a lot of imaginative gadgetry-I have tried to stick pretty closely to facts, and to probabilities based on sound precedent. It looks to me as if the greatest invention of the ages, the supreme gadget of all time, Man, will still be functioning on much the same basis and with much the same predictability in 2001 as he is today-trading in his old car for a new model every so often (if the new models are available by then), continuing to be mildly evasive about his golf score, fancying himself as something of a wit, and laughing ironically at the transitoriness of his wife's "permanent" wave.

Who am I talking about? Why, that little tyke over there in the baby carriage. And his son. And his son. The twenty-first century is going to belong to them. Let's try to pass the twentieth along to them without dropping it. It might crack.



## Because photography can see a billion light years away

• Without photography this would be a small world. For even with the best optical instruments, the eye's range scarcely breaks the confines of the earth's back yard.

But with photography . . . ? That's different!

For years, astronomers have looked 500 million light years into space with photographic plates exposed in the 100-inch Mount Wilson telescope.

build up images through long exposures and make visible new outer recesses of man's expanding universe.

Thus, science continuously makes spectacular use of photography in penetrating the unknown.

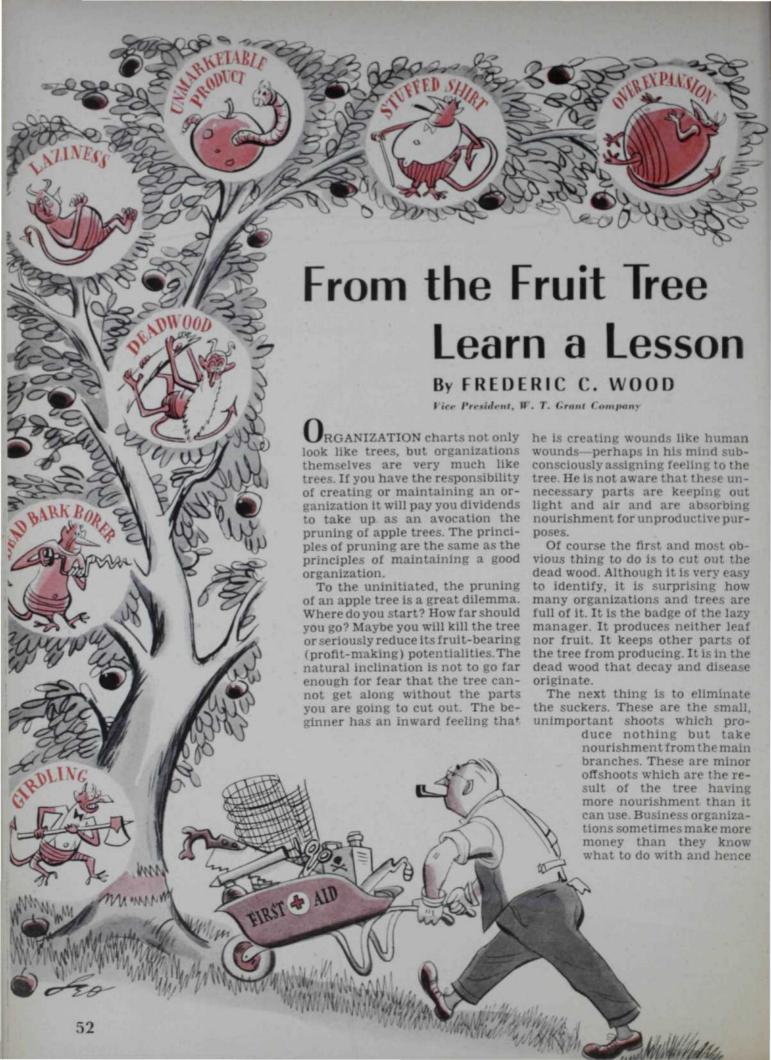
So too can industry, Radiography, photomicrography, x-ray diffraction,

microradiography and other industrial functions of photography can reveal facts and conditions that will help make a product more durable and dependable, a manufacturing process more efficient.

Eastman Kodak Company Rochester 4, New York

Advancing business and industrial technics—Functional Photography







# How to tune a piano!

The piano's out of tune. So we'll chop it up. Then we'll get a tin horn instead.

Sure, these men are crazy.

But they're using the same kind of thinking a lot of people have been using on the American economic system lately.

Our American way isn't perfect. We still have our ups and downs of prices and jobs. We'll have to change that. But even so, our system works a lot better than the second-rate substitutes being peddled by some countries we could mention.

It works better because of a few simple things. We are more inventive, and we know how to use machine power to produce more goods at lower cost. We have more skilled workers than any other country. We believe in collective bargaining and enjoy its benefits. And we Americans save—and our savings go into new tools, new plants, new and better machines.

Because of this, we produce more every working hour . . . and can buy more goods with an hour's work

than any other people in the world.

We can make the system work even better, too: by all of us working together to turn out more for every hour we work—through better machines and methods, more power, greater skills, and by sharing the benefits through higher wages, lower prices, shorter hours.

It's a good system. It can be made better. And even now it beats anything that any other country in the world has to offer.

So-let's tune it up, not chop it down.

### Want to help? Mail this!

I want to help.

I know that higher wages, lower prices, shorter hours and larger earnings can all result from producing more goods for every hour all of us work.

Therefore, I will ask myself how I can work more effectively every hour I am on the job, whether I am an employee, an employer, a professional man or a farmer.

I will encourage those things which help us produce more and add to everyone's prosperity—things like greater Approved for the:

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by: EVANS CLARK, EXECUTIVE DIRECTOR, TWEN-TIETH CENTURY FUND - PAUL G. HOFFMAN, FOR-MERLY PRESIDENT STUDEBAKER CORPORATION BORIS SHISHKIN, ECONOMIST, AMERICAN FEDERA-TION OF LABOR.

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use of mechanical power, better machines, better distribution and better collective bargaining.

I will boost the good things in our set-up, and help to get rid of the bad.

I will try to learn all I can about why it is that Americans have more of the good things of life.

Please send me your free booklet, "The Miracle of America," which explains clearly and simply, how a still better living can be had for all, if we all work together.

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become covered with these suckers. Quack consultants are employed, de-luxe services are added and strange departments pop up. Just as in the case of the tree, the main branches become infested with them. It is important to get rid of them quickly for the longer they remain, the more they swell up and grow and compete with the producing parts of the tree—or organization.

In getting into the more serious and scientific angles of apple tree pruning, it is interesting to note that you now start your work at the "top." You eliminate branches that are rubbing on one another for this constant rubbing is almost like sawing and neither of the branches will be able to have a healthy and free growth. You cut out all branches that run closely parallel and hence are absorbing light and air and nourishment to serve the same function. You eliminate branches that are growing towards the center of the tree, for they will obviously never develop or bear fruit successfully. They are in reality overgrown suckers. The parallels in business are easy to imagine.

### Too big for efficiency

SOMETIMES an apple tree, like any other organization, will grow too big and branch out too far-it will seemingly be reaching for the moon. This calls for a rather drastic operation—not drastic in its results but drastic in appearances. With apple trees, the technical word for it is de-horning. It is the process of cutting back the treetop by chopping off the expansiveness of some of the major branches and lowering the over-all height. Although these parts of the tree or organization may bear fruit or make money, it will be so far beyond reach that it cannot be harvested profitably, if at all.

In pruning it is important to cut off the pruned branches as close as possible to the main branch so that no stub or trace of them remains. This permits the bark on the main branch to heal the wound. If a stub is left it will very quickly turn into dead wood which will foster disease. A badly pruned business branch will leave discontent and dissatisfaction. In other words,

when you decide to cut, make the cut clean and don't take any halfway measures. In taking over the management of a tree or an organization, it is common to find diseased stubs that have been

left by previous bad pruning and, of course, they must be removed promptly.

The constant pruning of trees or organizations is a mistake. The operation in itself is disturbing and if done too frequently will interfere with both fruit-bearing and profit-making. After a good pruning, it takes time for the tree to readjust itself and constant readjusting is devitalizing. Usually a complete going over is advisable every three or four years. Between these complete prunings, the suckers should of course be removed whenever they appear. As the trunk and main branches grow and expand, a certain amount of dead bark accumulates. In a business organization you have a parallel in reports that have outlived their usefulness, in files full of molding papers, in procedures that go on and on when the need for them no longer exists, in unnecessary committees. This dead bark should be scraped off, for under it various worms lay their eggs.

Whenever a branch of any size is

removed, it is best promptly to apply some kind of a protective paint or coating to the wound. This does two things. It prevents the adjoining bark from drying out and hence dying. It also keeps borers out of the exposed wood until the new bark has grown over the cut. When a business branch is removed, other people who are closely associated with that branch may start to dry up unless they are given new purposes and aims to stimulate their interest.

Similarly it is at pruning time in the business world that the borers may get started. They are the smalltime gossips, the tale peddlers, the rumormongers, the chairmen of the washroom discussion groups. The best protection against infection from these termites and borers is a good heavy coating of clean fresh air liberally and promptly applied. The entire organization should know why pruning is being done and to what extent it is intended to carry it. It is only when the brass in an organization becomes tarnished that it tries to



NATION'S BUSINESS for January, 1949

secrecy and take alibis.

Under such circumstances you find the convenient crutch used of promoting people down the stairs -ostensible promotions that are in reality demotions for unsatisfactory performance. You also find

people being set up in useless jobs just to get them out of the way. It is this kind of business that provides the borers with the stuff to work on. Keep your cuts disinfected and clean.

With apple trees you will find that after the fruit develops from the buds, there are always a number of small undernourished ones-perhaps even wormy-which will never be marketable. The tree astutely gets rid of many of these by dropping them-these are the small early season drops you see on the ground. Some of them are tenacious, however, and must be picked off by hand. This allows more nourishment for the good fruit which will grow to a larger size and have better color. There are products in every business which have this same characteristic. They take up everyone's time and dilute the overall efforts of the organiza-

more salable commodities. Even when this poor fruit is allowed to stay on the tree in the name of absorbing overhead costs, it should be looked at with a critical eve. for what may absorb some overhead today can be absorbing your profits tomorrow.

The best time of the year to do pruning is when the tree is dormant and not busy and active. Again with business or other organizations the situation is the same. On the other hand, there may not be enough time available to prune only in the dormant season; hence it is good to follow the old apple knockers' motto, "It is better to prune when the knife is sharp than not to prune at all." The time of the year when pruning is done and the way in which it is done may stimulate either wood growth (strengthen the organization) or fruit growth (profits). There are, of course, situations where either one or the other may be indicated. In the long run, however, it makes little difference, for the strengthening of the organiza-

profits anyhow, and so it is with the tree.

The roots of a tree and the top are in balance. The purposes of an organization and the organization should be in balance. It may seem trite to say that when you change



A wound left unattended is certain to bring trouble

tion in producing profits from its one you should change the other and, vet, there are many business organizations where the purposes or goals have changed radically without due recognition for the need of changing the organization itself to handle the new situations. Trees are smarter. When you cut back the top severely the roots which are no longer needed will die back also. There are extreme cases in trees which are in very bad health where it becomes necessary actually to dig into the ground and prune the roots. Sometimes a business will get in pretty bad shape and it, too, should have its roots (its purposes and principles) thoroughly pruned.

It also should not be overlooked that the tree gets its entire aboveground benefits from its leaves, which are the extremities of its system of organization—its smallest parts-the apparently unimportant personnel. If the leaves are diseased or dwarfed or unhealthy the tree is unhealthy. If the leaves fail to get good light and air (freedom of expression) or

cover up its pruning work with tion will eventually lead to greater wither or perhaps fall entirely from the tree.

A leaf is a small organization all by itself and it must function well internally to do its job for the tree organization to which it is attached. So must the individual in any organization be physically and

> mentally healthy to make his greatest contribution. He must be happy in his work-he must be encouraged-he must be free from the petty heckling by his superiors which can only upset his digestive system. There, too, is the situation where the main branches may be diseased or rotten, in which case the benefits of the good leaves cannot get back to the roots and as a result these good leaves wither.

> How often it happens in a man-made organization that a key supervisor is a stuffed shirt, jealous of his understudies, lacking in character and basic honesty, and who prevents the good efforts of the people below him from benefiting the business.

> Both trees and other organizations are subject to a malady called—in the case of the tree-girdling. Girdling is the result of mice's or rabbits' gnawing

away the bark at the base until the tree has a complete ring or girdle around it without bark. This, of course, shuts off the communication between the roots and the leaves. It is a choking process and will kill the tree. Fortunately trees seldom are completely girdled, but many of them are partially gir-

The mice and rabbits have their counterparts in certain kinds of comptrollers, auditors, bookkeepers and the like. They are especially hungry and avaricious during hard winters (bad times).

There are two ways to cope with this problem. The best way is to keep these rodents under control. If you have excessive numbers of them, trapping or poisoning is recommended. Keeping the grass cut in your orchard is helpful. Eliminate things under which they can hide, for they prefer to be able to stay undercover. If you thus discourage them, they will stay in their holes. Another protection is to place a screen of hardware cloth around the tree about two feet nourishment (pay) they will either high. They will only sink their

teeth into something that is soft. It is strange, too, that mice will not climb over the top of the screen, but I suppose again it is their fear of being open to view which keeps them always looking for cover.

There are many popular misconceptions about the spraying of trees. It is not something that is done just once or twice during the growing season. It must be done almost continuously if you want good fruit. It is really unbelievable how much damage seemingly harmless bugs can cause. The bugs of business must be eliminated, too. They are things like general laziness, poor supervision, overconfidence, inbreeding, contempt for competition and lack of progressiveness. There are many others, too. The organic gardening people have pretty well proven, however, that even sprays can be eliminated if you keep the general soil in which the tree is growing properly fertilized or composted. A healthy tree has a natural resistance to bugs.

### Trees are sturdy

IT IS really remarkable how great is the will of a tree to live. It will go on living and producing fruit under the most adverse conditions. In such cases the fruit is dwarfed, knotty or distorted and has no value, but the tree will produce it anyhow. You can let a tree go without any attention. It may need pruning-it may be infested with bugs. It may have large, rotted areas of the trunk or branches. Perhaps it has been butchered by bad pruning or partially girdled. Even if you saw it down at the ground you will find some offshoots popping up from the stump.

To complete the case, none of us who has had the opportunity to observe many business organizations can help but wonder what keeps some of them going. They have been neglected, bled, and subjected to all these abuses to which our trees are subjected. Even diseased and unhealthy, producing little, they, too, seem to have a will to live.

First and foremost they need pruning. They need someone who knows how and when to use a good sharp pruning knife or saw (never an ax). If this kind of problem is your problem, again let me urge you to take up pruning apple trees as an avocation. It will teach you many valuable lessons and will enable you to see your other organizational problems with greater clarity. Pruning is stimulating to trees—and to organizations—and to pruners.



### Checks for the Sightless

BLIND persons now can take part in financial transactions with almost the same ease as their more fortunate associates, as the result of a service inaugurated by the Omaha National Bank.

The service has taken the form of a specially developed check for the use of sightless people who can't sign their names. If a person can operate a typewriter, no other assistance is necessary.

The ordinary printed lines on a standard check for the date, number, amount, payee's name and signature are raised, as well as the dollar sign. There also are two raised rectangles on the right side of the check for thumbprints.

The blind person puts his right thumbprint in the upper rectangle at the time he gets his book of checks. When he is ready to

negotiate a check, he places his thumbprint in the lower rectangle and affixes his signature or facsimile over the raised signature line. At the extreme right of the check are four raised numbers, \$5, \$10, \$25 and \$100. The person indicates the sum on the check he is writing either by placing his thumbprint over the proper number or making a circle around it.

The idea grew out of a visit Eugene R. Oglebay, Omaha National Bank teller, made to a school operated by a blind man. Oglebay consulted with A. J. Rhodes, bank vice president; local FBI officers, a rubber stamp firm and a printing company about the feasibility of making a check that would be suitable for sightless people. Investigation disclosed the idea to be practical.

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### **If Recession Comes**

(Continued from page 31) and the unions to drive home to workers the facts of economic life." As to just what concessions unions would be willing to make, he was of much the same opinion as most business men. Hourly basic wage rates, he thought, would not be allowed to drop unless there were a substantial drop in the cost of living, though the total takehome pay would be cut by adjustments in hours. Labor, he believed, might be willing to forego some of the "fringe matters"—things like clean-up time, smoking time and vacations. But he was sure there would be great resistance to abandoning or compromising the seniority rules which many workers consider their basic security.

### Some efficient workers

A NUMBER of smaller business men, whose plants are not unionized, considered their freedom to be selective in reducing their working forces a major advantage in meeting any recession. A manufacturer of jewelry in southern Massachusetts, for instance, put it this way:

"We are working now 50 and sometimes 60 hours a week. By dropping to 40 hours, we could save the time-and-a-half that we are paying, but volume is what is carrying us. With falling volume, we would have to raise prices or cut wages. So I figure we would cut wages—but not directly. About a third of our force is no real good; we just get what we can out of them. The other two-thirds is efficient. We would simply fire the poor third, and get correspondingly more for our wage dollar."

Retailers, too, report they would adjust quickly to falling business by reducing the labor force. "Many costs cannot be cut in direct ratio to decreases in transactions," the treasurer of a New York company owning several of the country's greatest department stores pointed out. "You can't do much about depreciation or interest, and such items as maintenance, basic staff and managerial overhead are hard to pare down. But the labor force can be-and has to be-expanded or reduced rapidly as transactions increase or decrease. Thus in a recession, we would automatically reduce the sales force, delivery force, warehouse force and accounting force."

Another adjustment which would be virtually automatic, he added, is in the percentage of mark-up. In the last year or so, most retailers already have been increasing their mark-ups in some lines, he said, because volume has not been increasing at the same rate as costs, particularly wages. But in recession, he felt this would probably not mean higher actual prices. Retail prices simply would not drop as fast as wholesale prices.

"Frankly, I doubt if it would be possible to adjust successfully to the kind of a depression we had in 1932," he admitted. "The increasing mark-ups would price low-income buyers out of the market, and business is based on them. In 1932 to 1935, the majority of department stores were in the red; and if it happened again, the only thing we could do would be to try to keep the red figures as low as possible, and hope to survive until the upturn. But I don't think we face that possibility in the near future."

The only man who seriously suggested that his antidote to a recession would be higher prices was the owner of a number of big hotels. "What else could we do?" he demanded. "Look at our major items of cost: Mortgages? They can't be cut. Real estate taxes? They keep going higher. Insurance? That



stays the same. Employes? Well, you can't save much there unless you close down whole floors, as we had to do in the last depression.

"Now suppose we cut prices. That doesn't make any new business. We found that out in the depression. It just forces the other fellow to cut his prices, too. And look at where prices are now, in the hotel business, compared to other prices. One of my hotels, for instance, was built in 1927. It started with a minimum rate of \$3.50 for a single room. Today the minimum is \$4. Yet the payroll, which was \$4,000 a week in 1932, and \$6,000 a week in 1934, when repeal had given business a boost, was \$22,000 last week."

"Could you get away with increasing rates?" I inquired.

"That would depend, of course," he admitted, "on how many other hotel people saw it my way. If everybody started cutting, I guess I'd survive. It would just be a matter of trimming down staffs as much as possible, watching such items as power, heat, light and telephone calls and generally just hammering at costs."

### Good business in depression

INCIDENTALLY, at least three businesses were found which are worrying hardly at all about a recession. The president of A. G. Spalding & Bros., sporting goods manufacturers, said that its business has always gone up, not down, in recessions, except for the big depression which finally caught up with it in 1936. People have more time for sports, apparently, when there is not so much work to do. The head of Manley, Inc., which has popcorn elevators in several midwestern states and manufactures popcorn machines, said that popcorn sales grew right through the depression of the '30's-presumably because it is an inexpensive treat. Fuller Brush Company officials had, they said, a similar experience, which they attribute to the fact that when jobs get scarce, more high-caliber men are glad to sell brushes, door to door.

These, obviously, are exceptions; and if recession comes, it is not going to be fun. Yet business men can still joke about it—which is perhaps even better proof of their confidence than anything else. One of them gave me these definitions: "A recession is a time when you have to tighten your belt. A depression is when you no longer have any belt to tighten. And, boy, when you lose your pants, too, that's a panic!"

### **Bugs Are Their Employes**

gi which produces streptomycin—have the bad habit of losing productive ability. They grow old and "run out." Unless it is prepared for this eventuality, a company in the fermentation business faces disaster. A number of plants have had to shut down and face enormous losses—until new strains could be found. Pfizer guards against this by constantly breeding new strains, having them on hand if the old ones get balky.

Pfizer microbes are more carefully tended than any incubator baby, more carefully bred than any race horse. Reason: a really good strain of Penicillium chrysogenum, the chief penicillin-producing mold, may be worth millions. The original strain of mold, discovered by Sir Alexander Fleming in England, produced two units of penicillin per cubic centimeter of broth. Commercial strains now in use produce upwards of 900!

If any research project promised Detroit a means of doubling the production of an assembly line without using any more labor, any more steel, you may guess how that project would be pushed. Yet better strains of penicillin-producing mold promise just that-more salable product from exactly the same raw materials. When a drug producer gets such a strain, it is guarded like a rich man's son who has received a kidnap threat. Competitors are apt to learn about it only when the annual earnings statement is published.

Since the stakes in this game are so enormous, Pfizer agents constantly search the earth for these better microbe strains. The best hunting ground: the soil itself, which is the great microbe repository of the earth. It contains yeasts, bacteria, fungi. Missions, pilots on world air lines, and others send in a steady stream of soil samples. These samples are searched for promising microbe strainsparticularly microbes which produce drugs of the penicillin type. At the moment, Pfizer researchers are seeking a microbe which will secrete a juice active against tuberculosis, a drug better and less toxic than streptomycin. A special laboratory is set aside for this.

Since the workers in this lab are playing with a particularly unpleasant kind of dynamite—the tubercle bacillus—every precaution is taken. The laboratory is kept under slight vacuum—so alr will leak into the lab, and not to the outside where it might infect others. Workers wear masks, rubber gloves. They have physical examinations every four months. In this laboratory, upwards of 6,000 microbes are studied each year, in the search for one which will murder the tubercle bacillus. To date, only eight have been found which hold promise.

Another Pfizer laboratory is devoted to a similarly heartening search. It is seeking medicines from the earth which will make war on virus diseases—particularly colds and influenza. A yeast, a mold, or a bacteria which would produce such a drug might become an even greater performer than penicillin.

In addition to the world-wide search for friendly microbes which attack and kill the microbial enemies of man, Pfizer has another set of research projects. These are directed toward finding better strains of the ones now in use This is done in several ways. One is by natural selection, seeking better microbes just as a home gardener seeks to produce better zinnias by saving seeds from top producing plants. Another means is to treat molds or yeasts with X-rays or ultra-violet light in hope of producing mutations-different spe-

### Pfizer enters field

WHEN penicillin came along, it was natural that Pfizer should enter the field. It knew as much about fermentation processes as anyone else in the world. But there was an even more important reason. John L. Smith, president, got a bedside view of what penicillin could do.

Smith, 59, is chunky, grayhaired. He was born in Cresfield, Germany. His father, a textile worker, brought him to this country when he was two years old. The family settled at Stonington, Conn. When he was 17, Smith moved to Brooklyn, got a laboratory assistant's job with Pfizer and enrolled for night classes at Cooper Union in New York-where he subsequently got a degree in chemistry. In addition to other activities, Smith owns an interest in the Brooklyn Dodgers-of which he is vice president and treasurer.

When word first arrived from England about penicillin's wonderworking, Pfizer became interested —in a small way.

On a laboratory scale, research men made small batches of the drug—carrying on the fermentation in two-quart milk bottles, and three-liter flasks.

While things were in this stage, Dr. Leo Loewe of Jewish Hospital in Brooklyn invited Smith to see several patients with subacute bacterial endocarditis. In this disease, bacteria invade the blood-stream, attack heart valves. No disease had a grimmer prognosis. Ninety-six out of every 100 who got it died, usually as a result of severe injury to heart valves.

### No chance to live

LOEWE had one patient he particularly wanted Smith to see—a seven-year-old girl whose body had been attacked with the pneumonia microbes that usually settle in the lungs. The child had suffered an earache, followed by chills and fever. For ten weeks—during which time she had lost 13 pounds—her temperature stayed just under 104 degrees. The pneumonia microbe was loose in her bloodstream, and was attacking her heart. She had, said Loewe, less than no chance to live unless...

Smith went back to his plant with a new interest in penicillin. He collected the minute amounts of drug that researchers had been able to extract from the mold broth. Then he returned to the hospital, Loewe rigged a tank which let the drug drip into an arm vein of the child.

Smith was engrossed with the drama that began to unfold. First, the drug swept microbes from the child's bloodstream. Then it went to work on bacteria encrusted on heart valves. Fever disappeared and appetite came back.

Many nights after work, Smith stopped by the hospital, and was fascinated by what he saw—people with no chance whatsoever coming

back to life.

A business man is supposed to read reports and make decisions on the basis of hardheaded practicality. Smith was about to make a decision that fitted none of these requirements. By standards of the chemical industry, his company was relatively small—doing approximately \$10,000,000 worth of business a year. At this point, remember, penicillin was far from proved. Only a relative handful of patients had been treated. Also,

there was the chance that someone would find how to make penicillin synthetically—in which case a huge plant investment would have to be written off overnight.

But Smith had seen enough in hospitals to make him go ahead. He drew up plans for a plant which would squeeze Pfizer resources almost dry-a giant penicillin plant costing \$4,500,000. There was a life-and-death urgency in getting the plant into production. Construction men were put on a threeshift basis. Laboratory men stayed long hours seeking better penicillin-producing molds. Biologists sought diets which would coax molds into greater output. When the plant was completed, Pfizer leaped into production. As others entered the field on a big scale, Pfizer's proportionate share of the market declined. Today, it shares leadership in penicillin production with Eli Lilly & Co.; and leadership in streptomycin production with Merck & Co. If the two drugs are grouped together on a dollar sales basis, Pfizer still outranks all other producers. These two drugs have been largely responsible for upping Pfizer sales from \$10,000,000 to close to \$50,000,000 a year.

### Grows in huge tanks

LOOK at the greatly enlarged Pfizer penicillin plant as it stands today. Once test tube cultures of the penicillin mold have been prepared in the sterile rooms described earlier in this article, the mold is propagated in quantityfirst in three-liter flasks, then in 200 gallon "seed" tanks. From here it goes into the huge fermenter tanks. The tanks are filled with microbe fodder-chiefly corn steep liquor (water in which corn has been soaked as part of the starchmaking process), milk sugar, minerals. For two to four days the mold grows, discarding penicillin into the broth.

Extracting penicillin from this broth is something like getting gold from sea water. It is present only in the most minute quantities -four parts per 10,000 parts of broth. To get these crystal needles out of this brothy haystack, requires elaborate chemical processing. A plant may contain a large battery of giant fermenters working day and night-but the penicillin that comes out the end looks like a trickle from a leaky faucet. Unimpressive though the trickle may be, it spells the difference between life and death for thousands of people-penicillin still being the miracle drug that it is.



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# CITIES (2) SERVICE

QUALITY PETROLEUM PRODUCTS



# Samaritan in a **Trading Post**

By OREN ARNOLD

REVERED by both paleface and Indian, Fred Wilson has found happiness by giving a helping hand to others

and her boy friend, or just the boy friend?

Fred waited five minutes—any haste would have been unseemly-then spoke with careful calm. "No, friend Many Rocks," he began. "Shooting would help no one. What you must do is show the compassion of Jesus."

"Who Him?"

The question was startling. Have you ever tried to convey the magnificent concept of Christianity to a person who speaks scarcely 50 words of your language?

Increasingly for 20 years Wilson, a merchant, has made an avocation of trying it with unhappy people of all colors and types who came to his Indian trading post. Defying custom, he spends approximately twice as much time in personal talk with store callers-on their initiative-as he does selling Indian rugs, moccasins, baskets, and souvenirs.

Not only the humble come-in, but "important" folk as well-artists and artisans, doctors and lawyers, ranchers, miners, teachers, senators, governors, whoever is worried or has a spiritual need. By word of mouth they have built Fred a national reputation. His fan mail comes even from foreign lands.

What he says to distressed folk is rarely premeditated. "Jesus was a God-man who came from the clouds," he told Many Rocks. "He was good. He loves you, everybody.'

"The Great White Father?" asked the red man suspiciously.

"No, not our President!"

Fred sweat it out for three hours. But Many Rocks

NATION'S BUSINESS for January, 1949

"put up his shotgun and hired a

marryin' preacher.

A wealthy white woman came into the store where Fred, busy at the cash register, finally saw her pacing back and forth. Presently he edged through the customers and took her hand.

"I can see that something is troubling you, madam," he mur-mured. "Now just rest here and

compose yourself."

He led her to a little curtainedoff room which serves as Fred's office. It was dim, and cool. She sat on a chair of wild boar skin and cactus wood; he sat facing her on a rawhide tomtom. The only extraneous sound was a low, rhythmic tink, tink-tink as a Navajo Indian beat silver into jewelry outside. It was somehow friendly, like distant church chimes. "That is Nah Un Begay," Fred explained. "A fine man. Two years ago he was broke, and brokenhearted. But he has been restored."

The woman lifted pleading eyes. "You don't know me," she began, "but I heard of you. I have been gambling, and I even turned thief. I was planning to kill myself."

Fred nodded. "But first," he replied softly, "I would like you to hear the story of a gentle carpenter. It is the same true story that was told to Nah Un Begay. This carpenter, my dear lady, faced much trouble, too, and he-

Not only was her peace restored, but she has become a happy woman, even a gay one. Now she is directing and financing a crippled children's clinic in Ohio and, as a hobby, is studying music, all at Fred Wilson's suggestion.

### Signs of our life

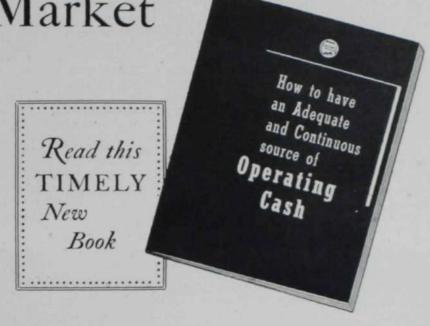
NOT all his efforts to help people are so successful. He thought once to help an especially talented Navajo squaw. She had some education, so Fred decided that he might edge in a bit of propaganda for Christianity. "Weave me a rug." he requested, "with some of our white religious symbols in it.'

When she solemnly delivered it and got her pay, Fred realized he had failed as a propagandist. Instead of a crucifix, a winged angel, or even a church spire, she had woven in pictures of automobiles

and pop bottles.

Fred frequently welcomes one of the Southwest's leading surgeons who comes to sit on the tomtom and prepare himself for an important operation. The preparation consists mostly of "just talking things over," spiritual things. Fred

# What to do in a Tightening Money Market



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started a postcard collectors' club because a little shut-in girl touched his heart. It gave her, then many others, a substitute for travel. But in the same month a young lad listened to his quiet counsel and ended up in the penitentiary anyway. A year after the boy was released he wrote Fred:

"Now I am doing what you said I should. I thought your advice stupid then, but you are the wisest man I ever met." Fred was astonished. "All I told him to do was get a job and earn money honestly, instead of trying to be a slicker. But I suppose nobody had ever told him even that much before."

That's Fred's basic discovery—that millions of people simply have never had *any* counsel toward the good way of life. He is trying to do something about it. He has had no special training for this.

Truth is, he reads the Bible occasionally, but rarely goes to church and he has firsthand knowledge of our typical Yankee pattern for success where competition is ruthless. Although he is much in demand as a public speaker and humorist, he worries lest somebody

accuse him of being a self-appointed psychiatrist or a saccharine dogooder.

Fred was born in Cincinnati and went to school near there at Delhi. He was reared in a Methodist home, but at 15 he left it to go to Birmingham and operate the first garage in the South. His first tinkering was on a one-lunged Cadillac that seemed to leap three feet at each chug. "But these horseless carriages will be important," young Fred predicted. "They can change things."

They changed him. They swept him into our epic of industrial expansion. Today Mrs. Wilson cherishes a memory book, begun on their honeymoon, which shows Fred intimate with almost every big name in the automobile world from Barney Oldfield to Henry Ford. Photos show him an eager young man beside the older greats. Several letters begin, "Because of your fine sales record last quarter we are enclosing a bonus check for \$750 . . . \$1,200 . . . \$2,000 . . ." In the Go-Getter era, Fred shone.

One day he walked into the Stutz automobile factory and demanded to see the president. "Look here," he began, "everybody in the trade is saying that you need a better sales manager. I want the job."

"I have a sales manager," the president snorted, "Who are You?"

"Wilson's the name. And I'm not asking for money, yet. Put me on as assistant. In three months I'll prove I'm the man you need. Then you'll owe me \$1,000 a month, retroactive to now."

For such effrontery young Fred was almost literally kicked to the street. But another man brought him right back. "I'm not the president," this stranger explained, "but I put up the money for this factory. I was listening outside the door. We do need better sales effort. When can you start?"

"Right now," said Fred, removing his coat. Sixty days later he was Stutz sales manager, with salary retroactive.

### High pressure selling

FOR a decade he moved here and there, always bettering himself financially. He had a young son, Bill. But he saw neither his wife nor his son often. He traveled incredible mileage totals, slept little, dreamed audaciously, got rich. "You have the finest imagination of any sales expert in America," a Chrysler executive once wrote him. Thus at 44 Fred was Mr. Business himself. That year he sold \$21,000,000 worth of cars-and got a warning. One night as he sat reading in the lobby of an Indiana hotel, he noticed that his newspaper was shaking.

He studied his hands, straining. He got up and walked around the block then tried to read again. Still the paper shook. He tried to laugh it off, and went up to bed.

The morning paper shook, too. For two hours he did a lot of thinking—he now considers it to be the most important two hours in all his life—and by 11 o'clock he had his boss in Detroit on the telephone.

"But you can't resign now, Fred!" the boss shouted. "You are selling like a house afire, and we have just doubled your salary!"

"I am going fishing tomorrow," Fred declared, "and I won't be back."

For two months he and his wife, Ruth, fished literally, then figuratively for two years more. The two months' rest removed the success tremor from his hands and gave him a new personal philosophy.

One day beside a stream in Colorado, he heard a mountain baritone singing a happiness song, with a chorus beginning—"Oh, a man's got fun, if he don't hafta run, and I



Fred sponsors the native silversmiths who make his jewelry

ain't afeard of nuthin'." Presently a barefoot man ambled out of the bushes, greeted Fred with a hearty "Howdy, thar!" and sat down to pass the time of day. He, too, had caught no fish, but in 30 minutes he had Fred singing with him. Fred recalls that he slept 12 straight hours that night, without stirring.

When he went back to work, he naturally sought the automobile business again. This time in the Pacific Northwest. He found that he still had the ability-two new agencies were quickly set a-humming-but he no longer had the desire. Playing his inner spiritual hunch, he packed Ruth into their car and headed south. He served for a while as city manager in Phoenix, as manager of the chamber of commerce in Boulder City, Nev., then as manager of Arizona's exhibit at the Chicago Century of Progress. He fired himself from these jobs "because I was somebody else's man." But in Nevada a heart drama reached a climax that crystallized his new resolutions. Thirty years before, in Birmingham, the boy Fred Wilson had called at a home where death had struck. Somewhat casually, he had thought, he spoke of God. He comforted the bereaved parents, and even helped care for their baby boy. Then he went away and heard of the people no more.

That is, until one day in Boulder City when he called at the Episcopal Church to deliver a charity donation. A young rector thanked him. When names and backgrounds were learned, the rector was sud-

denly excited.

"All these years I have longed to find you!" he exclaimed. "My parents had renounced God back there in Alabama, but you reclaimed them. They've told it many times, and they brought me into the ministry, in gratitude. You can never know what happiness you sowed."

### Picturesque merchandising

FRED and Ruth were down to a capital of \$50 when they heard of an old Indian store for sale in Phoenix. They investigated. It used to be in a picturesque setting, with an assay office, a shooting gallery. a tonsorial emporium, a Mexican chili shop, a livery stable and seven saloons in its immediate vicinity. But modern businesses had surrounded it, and seemingly its day was done. Fred loved its old-fashioned look. It held Indian and pioneer antiques, dusty museum items, old pawn jewelry, strange aromas of hides and wool and clay and human perspiration.

"I never was afraid of bankers," he said to Ruth, grinning.

He reasoned that his reputation was excellent. Within the week, Phoenix bankers learned that his charm was still on tap. One noon he walked into the store as its new boss.

Dreary clerks stared at him, wondering, waiting. Sitting back rear was a 300 pound Maricopa woman, brown of skin and wearing at least six petticoats. She was quietly sobbing.

cies of an old store. Fred had to show patience, had to stand disappointments. But, from that first day, he would tolerate no clerks who weren't sympathetic toward the red folk. Ignorance of Indians didn't matter, love of mankind did; you can learn facts quickly, but you can't learn love quickly. Fred needed a new bookkeeper, and advertised. Several with excellent references applied. But toward sundown a frightened young matron edged in and murmured,



"I told her we couldn't buy that tray of pottery she brought in," a prim clerk explained. "I don't know what she's blubbering about."

"Oh," murmured Fred. "But but couldn't we possibly—? Perhaps we could find a way to use some of her little bowls, and—"

"Mr. Wilson, you won't last a month if you're going to let these dirty squaws run over you like that."

Fred looked at the clerk. "Beginning now," he said, "you're fired."

He knew nothing whatever about Indians. But he approached the woman gently, and sat near her a long minute, searching. Then he had a hunch. He took her by the hand. "Come with me," he directed, hoping she would understand. "Everything is going to be all right."

Up street was a restaurant and Fred guided her there. The woman ate as if she hadn't tasted food for two days, which she hadn't, then accepted the \$20 Fred gave her for the pottery and went away. From that day to this, the Maricopa Indians have regarded Fred as an earth-bound angel. Under his guidance, the three greatest potters on record have been developed among them. They are Mary Juan, Mabel Sundust and Ida Redbird.

It is not easy to revise the poli-

"I saw your ad. I never kept books, but I need work so, and I could maybe I—" Fred saw her trembling.

"You are just the type we want," he assured her. "You can start work tomorrow morning and we'll teach you how."

She became an expert. She and her two babies had been deserted by her husband, but Fred's job enabled her to re-establish a happy home. Today she is one of the proud "Wilson alumni"; no person ever works long for Fred without having his life changed.

### Help for many people

HE has never announced any deliberate policy of spiritual outreach. It simply developed, he admits, because of new perceptions in him, new awareness that people need friendship and that supplying it generates a strange inner poise.

One day soon after he acquired the store a dusty, seedy-looking man came in, his coat pockets bulging with colored stones. As with the Maricopa woman there was pleading in his eyes. Fred said, "They're pretty enough to be worth \$5, at least." Recently I met the same man in the store. He is much older now, but erect and handsome in a coat of beaded

buckskin. His hat is broad, his curls plunge to his shoulders in a snowy cascade.

"I was completely whipped," said he. "By buying my little old rocks every week, Fred kept me and my family alive for five years while I was low in health. Now I come here trying to return the favor."

He has returned it a hundredfold just being "atmosphere" for the trading post. He is called Old Timer, and his pockets bulge with agate and jasper, opal and peridot, chrysocolla and malachite and garnet, all the semiprecious beauties which he calls Flowers of the Earth. He has built up a large and profitable mineral department for the friendly merchant who knew nothing about minerals. He is among the last of the picturesque "rock hounds" who have tramped the Western hills.

To buy his wares, Fred goes often to the isolated pueblos, hogans and wickiups. He is the first white man that many an Indian ever saw, but his reputation has spread. He is tall, erect, alert; features are sensitive, chiseled deep; hair so long it rolls back in silvery waves, but so silken that static electricity tousies it. Eyes are discerning, yet infinitely kind. His voice is the gentle murmur of leaves. The red folk have responded to that; long ago they named him "Whispering Wind." Young Indian adults who have been to government school regard him as a genius because he can influence their superstitious oldsters better than the government workers.

"These children have trachoma," Fred diagnosed when he came to one family of sore-eyed Navajo youngsters. "They must be doctored."

"I have been saying that," replied a 20 year old girl, "but mother does not understand. She only dusts sacred meal on them and wants to have a Medicine Man sing."

"Do not hurt her feelings," Fred urged. "But tell her I said that I will drive the family to the hospital at Ganado. There, the paleface Medicine Man, Dr. Salsbury, will conduct a healing 'sing.' He will put sacred waters from a bottle in the eyes. He is an honest man. If she trusts me, she can trust him."

It was done, and the children were cured. The mother today is Fred's most faithful weaver of rugs.

### **Encourages handicraft**

BECAUSE Fred saw cheap imitation Indian jewelry almost ruining the trade, he began sponsoring the reservation silversmiths more avidly than ever. The rings, the conchos, the exquisite bracelets, earbobs and necklaces, holding the red man's deeply spiritual patterns etched in by hand, are this nation's finest aboriginal art. And he defends the rug weavers against graft and exploitation.

"Characters" of many kinds adorn Fred's store now. In one week of casual visits there I encountered Hacksaw Tom, whose name explains how frontier jails failed to hold him; the late Wild Horse Pete, who could toss a dime into the air and shoot it with his pistol; Princess Red Feather who is a grandame of the Cherokees, and Princess Thunderbird of the Menominees who is a lingering touch of the covered wagon era. I have seen six papooses asleep in Wilson's trading post at once. On such occasions, Whispering Wind sees to it that everybody whispers.

The whites love it, as do the Indian mothers. These shy women have discovered a haven in a town that has jumped in their time from 20,000 to 250,000 inhabitants. Often a tired one dozes with her babe.

Once a proud mother had no suck for her beautiful dark girl baby, but an equally proud father brought them in for Fred to see anyway. They—and the family milk goat—spent a pleasant afternoon in the trading post, and lucky indeed were the tourists who happened in.

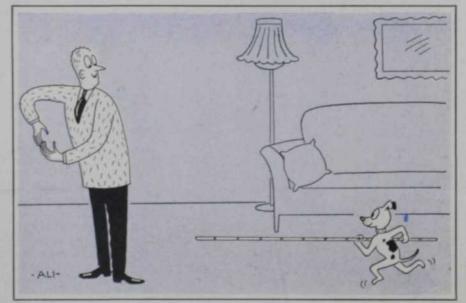
Another day the caller was Pop-Chalee, which means Blue Flower. She was an exquisitely pretty maiden of the Taos pueblos. She wore hair ornaments and earrings and yards of turquoise necklaces over a rich brown velvet blouse, and silver conchos on a skirt of green. She had a shawl of crimson from a Mexican's loom, and white deerskin slippers fashioned by a Hopi man. She had on rouge and lipstick-she would have shamed some professional models for sheer poise and beauty-and she carried brown wrapping paper rolled under one arm

"I have here a painted something," she said demurely. "It was said to me, maybe you would like."

She had used barn paint on the brown paper. She has never yet had an art lesson-thanks to Fred and others-although a woman did give her some better materials. She works uninhibited with a treasury of appreciation for color and line and form, even though wholly in two-dimensional technique. She sat at a card table in Fred's store for months and drew whatever enriched her imagination. Even her small pieces soon commanded hundreds of dollars, and today she is one of the foremost Indian artists of all time.

The same success story was lived by Koke, a Kickapoo boy artist whom Fred sponsored, and to a degree by many another of the red clansmen. Last winter, too, a scared little white woman who had been trying to paint for 30 years dared to bring in four of her oils. Never had she sold a thing, but Fred sold three of those four in one week. When he telephoned her to come get her money, she was almost hysterical.

Now he is exhibiting the works of a prominent engineer who took up oil painting as a hobby, also the amateurish beginnings of a university coed. Somebody will like them, and buy; somebody always does. Seldom does he accept a commission for these sales; only when



it would hurt an artist's feelings not to.

Spiritual outreach as a policy in store operation of course is not new, but it is rare. It invariably is successful. July 1, 1947, Fred told his bank president, "I am going to reduce prices."

"You're crazy!" the banker retorted. "With costs everywhere rising, and your competitors all marking up? But if anybody can

get by with it, you can.'

He marked down the retail price on 60 per cent of his merchandiseand reached January 1 with the biggest net profit the store had ever known

The banker had known it would be so. He himself comes often to

Fred for counsel. He finds it steadying just to sit on the tomtom and chin about any new project for the bank or the community, before the action begins. More often than not, the chinning changes the course of the action; which may be one reason why the bank is among America's largest, and the banker has a terrific personal following. I asked him for a cold appraisal of the merchant.

"When Fred bought that store," said he. "his first move was to throw out the profit motive, the sales quotas, and all pressure methods.

"But at age 65 his financial rating is high, his health is perfect, his life serene."

### Yankee Acumen vs. Dinosaurs

As FAR as Carlton S. Nash of caused a stirring to his Yankee South Hadley, Mass., is concerned, the dinosaur is man's best friend. At least, they have been very kind to him and his family.

Nash is believed to operate the only dinosaur footprint quarry in the world. It seems that South Hadley once was thick with dinosaurs and Nash has purchased two acres of land where the ten-ton residents of 150,000,000 years ago were wont to gad about.

### Times have changed

POLITICAL opponents always are blaming each other for what happened in their respective four-year administrations and it seems that quite a few things can really happen in 150,000,000 years. One of the things that has occurred is that the land on which these old-look reptiles used to meander around South Hadley had turned to shale. So to get at their footprints Nash has to do a lot of tough mining, shale being even harder than granite.

It has been nearly 150 years since the first print of the threetoed Massachusettsite of another day was discovered at South Hadley. These discoveries, which occurred from time to time, always brought "oh's" and "ah's" from archeological scientists and maybe even some "brontozoum giganteums," which is a more scientific name for dinosaur.

As one who had matriculated in geology at Amherst, it also would do something to Nash's scientific soul when he would come across one of these footprints. But it also

trader inner being.

The thought persisted: Dinosaur footprints are fine to look at-they are nice to meditate upon-but maybe they can be sold, too. People buy any number of things. Maybe they'll buy dinosaur footprints

So with combined scientific and Yankee business man fervor he bought two acres of shale land that he judged should yield a high amount of dinosaur footprints and went to work quarrying.

For nine years he has sustained himself nicely with his production of monsters' tracks. He has mined out some 1200 of them, which he sells from \$10 to \$300 apiece. A fiveinch print goes for around the ten spot while a 23-incher will bring about the maximum. However, there is another factor: the depth of the tracks. The deeper the prints, the higher the pricenaturally.

The smaller prints he sells as bookends, paperweights, knockers, doorstops and the like. The larger ones he recommends for patios and garden walks. The late General Patton was among his customers and Dale Carnegie had been won over and influenced by Nash to purchase some.

Why the dinosaurs should have decided to be partial to South Hadley, Mass., is a matter of speculation but the best guess is that South Hadley had a good waterhole. Anyway, Nash is glad that they came to his home town and were thoughtful enough to leave their footprints in solid, salable shale. -HAROLD HELFER



substance not yet dreamed of, or an electronic stylus in tune with waves of thought... Perhaps it will erase by magnetic impulse, and offer a hundred colors to reflect the writer's mood...Yet one thing will remain unchanged: The finest of writing materials will still bear the name

It may be a pencil made of a

### **EBERHARD** RARBR



This replica of a panwashed gold nugget from the days of '49 is symbolic also of the Centennial Anniversary of the founding of Eberhard Faber Pencil Company

ENTERING OUR SECOND CENTURY OF LEADERSHIP

### Everybody is for It, But -

(Continued from page 36)
resentative asking for just one
little amendment to preserve just
one little bureau has become 300
Representatives joining hands to
support 300 little amendments
to preserve 300 little bureaus.
Whether we like it or not, that is
the way Congress works, and such
is the situation that the reorganization bill faces at this session—
unless, of course, the folks back
home want things done differently.

On the one hand, voters send members to Congress to represent them in the Government of the United States. As such, the Representative is expected to legislate with a view to the national interest. When considering the general welfare, the member from Massachusetts is expected, in theory at least, to be as much concerned about the effect of a law on the people of California as on those of his home state.

### Conflict of interests

ON the other hand, the voter often asks his congressman to give first loyalty to his district and even to special interests within that district. When there is a clash between the national interest and the local interest and the Representative is called on to make a compromise that will keep his constituents satisfied, he is statesman enough to see the larger view and bargainer enough to make a good deal for the old home town.

In January, 1933, President Hoover was awaiting his successor in the White House. He was making a final effort to reorganize government departments. In a press conference he quoted remarks he had made five years earlier:

"Practically every single item in such a program has inevitably met with opposition of some vested official, or it has disturbed some vested habit, and offended some organized minority. It has aroused the paid propagandists.

"All these vested officials, vested habits, organized propaganda groups, are in favor of every item of reorganization except that which affects the bureau or the activity in which they are specially interested. . . In the aggregate, these directors of vested habits surround Congress with a confusing fog of opposition."

The fogs of similar confusion will surely be rolling across Capi-

tol Hill before spring touches the trees this year. Unless, that is, those who might suffer by details of the reorganization plan subordinate their selfish interests to the greater good. Reorganization has been a primary objective of every President and every Congress for the past five decades. Never before, however, has so searching a study of possible improvements been made or the problem approached on so broad a front. The nation's business leaders would do well to ponder the quality of the men serving the Hoover Commission before they presume to op-pose its findings. The members are, in the main, business men.

The federal Government has grown so vast that no group could effectively examine all of it. So the job was broken down into 22 projects with experts working on each. Here are the names of a few of the men: Robert R. Nash, formerly director of the purchase analysis division, Ford Motor Company; J. H. Geary, formerly assistant manager of stores, Erie Railroad Company; Leon J. Jacobi, inspection and standards engineer, Detroit-Edison Company; Franklin D'Olier, former board chairman, Prudential

Life Insurance Company; Thomas M. Searles, president, Equity Company; Thomas Jefferson Coolidge, board chairman, United Fruit Company; John A. Stevenson, president, Penn Mutual Life Insurance Company; Ferdinand Eberstadt, president, F. Eberstadt & Company.

### Greater efficiency

THE report now being presented will go much further than recommendations for better housekeeping in Washington. Such minor improvements might save \$300,-000,000 or more and would arouse slight opposition. It is safe to predict that the Hoover Commission changes will be basic. In addition to grouping or eliminating overlapping functions, they will seek to eliminate some of the checks and balances which, because they seemed essential to honesty in government, have grown to such a degree that they threaten to bring the whole executive machine to a dead stop. In the past year, I am informed, the Veterans Administration made 1,000,000 separate purchases which averaged less than \$10 each. But it actually cost \$24 per article to authorize, check, inspect, approve and audit each \$10 purchase.

During the early stages of World War II it was sometimes said



in Washington, not wholly facetiously, that the surest way to win the struggle would be to burn the General Accounting Office.

I did not share this yearning for arson, but I did sympathize with harassed procurement officers as they struggled to disentangle themselves from the binding red tape of this or that agency. Inherent in the forthcoming plan will be simplification of the federal Government. This will result in some cases in fewer branches which means, or should, a cut in the number of employes. Strange to say some business leaders will take the side of the federal workers in their efforts to save their jobs.

Take again just as an example of possible economies, the field offices of many of the departments. These offices, like many others, offer special services to industry and to the farmer for which all of the tax-payers are assessed. But let me presume to say what will happen if some of them are shut down. The original protest will probably arise within the agency. A representative of the endangered workers will appeal to some official in the local chamber of commerce or in a trade association.

"Look, Joe," he will say in substance. "I know your crowd is on record for the reorganization bill. And you're right, perfectly right. But you can't go along with the section which proposes to shut down our office here. We've worked with you for years. Your members use our statistics every day in their business. We've saved you countless trips to Washington. And what's the saving? A mere half a million while we're spending billions in Europe."

### Little heart for economy

OUR business leaders should be on their guard against such arguments. They sound persuasive. They can be effective. The sad truth is that Americans really have slight taste for economy. They are generous and openhearted. Whether in business or not, they like to do a favor for a government official-particularly when he may be in a position to return it at some later date. Sometimes, on the other hand, Americans suddenly get disgusted with extravagance in their government and demand cuts which go too deep. The Hoover Commission's plan may be a last chance to effect intelligent economies.

Business men do a lot of talking about the multiplicity of agencies, about the hours they must spend

in filling out questionnaires, being inspected and regulated. But some of them prefer a known nuisance to an unknown improvement. At least three agencies now regulate the nation's banks; the Comptroller of the Currency, the Federal Reserve, and the Federal Deposit Insurance Corporation. I must repeat that I have no advance knowledge of the reorganization plan. But suppose the powers of the Comptroller of the Currency were trimmed. I am fairly sure a howl would arise from a lot of normally dignified bankers. They have worked with the Comptroller of the Currency for many years. They understand the methods and policies of his staff

I don't want to give the impression that business men, alone, will fight parts of the plan. Opposition will come from doctors, from lawyers and other professional men. A distinguished committee of physicians has been spending months looking into the hospitals operated by the Veterans Administration, the Army, the Navy, and the Air Force, and their relationship to existing hospital facilities. Duplication and waste are unquestioned. Yet here vested interests are again at stake.

### Desire for local offices

LOCAL doctors will not like the prospect of some installation being closed. So there will be resolutions by county medical societies which will reach the desks of my colleagues and myself. Do we oppose, these will demand, adequate medical treatment for Our Boys? Election Day is never less than two years off to an unhappy Representative. Some of us will conclude that it is rash to cut medical services, even when they are a duplication of adequate existing services.

But, unless the business and professional men of America really do give their wholehearted support to reorganization, it is doomed. For opposition, bitter and effective, may be expected from the professional politicians. No branch of our government, whether county, city, or state, is any longer unrelated to the federal system. Enormous financial grants are made in Washington for education, highways, health, and other benefits. The actual administration of these funds is frequently left to the states, under certain regulations. Contractors, builders and supply men get their share of the funds. Their share, obviously, increases in direct ratio to the inefficiency of govern-





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### Where Did YOU Learn to Drive?

(Continued from page 42) when he gets out of his home state. "Now what have I done wrong?" is his first reaction to every wailing siren. Odds are that an unsuspected rule has been violated.

"Let me see your driver's license." starts the conversation.

If the highway pilgrim has South Dakota tags on his car, the only state which does not issue drivers' licenses, he will not have one. The officer from another state who will believe that story is as rare as Republican senators from Alabama. Kansas, Louisiana and Missouri issue drivers' licenses without examinations. Louisiana, New Mexico and South Carolina issue them to youngsters of 14 years and only 17 states compel juveniles to wait until they are 18.

Age or knowing all the answers in an examination does not guarantee that an applicant will be a safe driver on the road. A chronic violator in Georgia, aware that penalties for a second offender are severe, took another examination and paid \$1 for a driver's license under an assumed name after every "first" appearance in court. Before an observant license clerk recognized his familiar face, he had 15 driving permits under as many names.

### "Influence" by many drugs

PHYSICIANS must report cases of epilepsy in Indiana, Oregon and Wisconsin. The District of Columbia does not have a law but the medical association also reports diabetics and tricky hearts. All states ban drunken drivers but differ widely on qualifications. Massachusetts does not forbid driving under the influence of drugs which in another state may be not only narcotics but a sulfa pill or the hangover from a session in a dental chair. To even the score, the Bean State alone compels every owner to insure his car.

Seventeen states do not issue certificates of title to owners. Anyone who moves to another state may not be able to sell his car or even get a license.

"That's rubbing it in," was the popular comment when an Illinois court ordered an owner to pay for damages done by his car while it was stolen and he was looking for it. The owner had left the key in the parked car, which is forbidden by law and, in a way, was an acces-

sory to stealing his own car. In Washington, D.C., a gallant taxi driver stepped into a drugstore to buy a package of cigarettes for his fair passenger. She drove away and, under a similar law, the company paid for the damages which followed.

If you have troubles driving your own car a few miles from home, hear the tale of woe of those in the trucking business. No truck can be built, let alone driven, to meet the legal requirements of every state. Rumbling along the road, the driver must observe all the variegated rules for touring cars and as many additional for his particular rolling stock. He must have a special operator's license in half the states. In most, he must be 21 years old but 16 is old enough in Nebraska and 17 in Mississippi or New Jersey.

Where Utah, Colorado, New Mexico and Arizona join corners, a driver can visit each state in a truck length. In Utah, his truck may be eight feet wide, 14 feet high, 45 feet long and weigh 79,900 pounds when loaded. Before turning into Colorado, he must saw 18 inches off the top, ten feet off the length and jettison 10,900 pounds of cargo. The same dimensions (8' x 121/2' x 35') and 69,000 pounds are acceptable in New Mexico. Entering Arizona, he can add six inches to the width, one foot to the height and load 8,600 more pounds of cargo.

If he rolls farther from home, he will find that Oregon permits only Lilliputians of 11 feet while Illinois, Maryland, Massachusetts, Nevada and New Hampshire permit any height, the trucker taking his chances on hitting railroad underpasses. Nevada has no rules on size, only that the weight be 76,000 pounds or less. Michigan sanctions behemoths of 114,000 pounds while Virginia will permit no more than 35,000 pounds on its roads. Height and weight are a big concern to the states and municipalities that build the highways and bridges.

In some states, trucks lit up like Christmas trees roll through the night bedecked in white, red, green, yellow and occasional purple lights and signals. A driver must hop down at almost every state line to turn certain lights and colors on or off.

Adjusting bumpers in a state

they must be above the pavement is not as easy. The brainless truck decides, height depending, on whether it is empty or loaded. The front bumpers of a much lighter touring car may drop eight inches in a sudden stop, seldom known until they are locked with a car ahead.

### Woes of the pedestrians

FACED with the welter of modern traffic, the pedestrian is a hapless chicken who never knows when to cross the road. He can be bawled out when wrong and bumped when right. In some states he is right if he walks on the left side of a country road facing oncoming traffic. In others, he can compete for a dry spot on either side. In some cities, notably New York, Chicago, Milwaukee or Pittsburgh, he can write his own insurance and skip across the street against a red light when he pleases. In one year, Detroit arrested 17,000 for doing that; Cleveland, 9,000, and Washington 3,000 while Philadelphia and St. Louis. which also forbid it, didn't arrest anybody.

In some cities, he may cross in the middle of the block; in others, only in a block which does not have traffic lights at both ends. Detroit, hot on the trail of such jaywalkers. pulled in 5,000. The arrest of 22,-000 pedestrians in one city for traffic violations proves the rules either can't be understood or are impractical. Other persons, but not all officials, agree to that.

For nearly a quarter century as American life and business have rolled faster and faster on wheels. a fight has been waged for uniform traffic laws in all states and municipalities. Two President's Highway Safety Conferences have met in response to presidential calls. Many years before the first one, the National Conference on Street and Highway Safety, now the National Committee on Uniform Traffic Laws and Ordinances, had a modest start.

It and the National Committee for Traffic Safety have grown until membership of the two includes federal agencies concerned with highways, transportation or safety; their counterparts in each state government and some 60 private organizations, each national in its respective field of commerce, labor, education, health, publishing, construction, transportation, agriculture and many other activities. Though not governmentdirected, the National Committee Uniform Traffic Laws and on which specifies how many inches Ordinances is quartered in the

Federal Works Agency building in the nation's capital and its publications carry the stamp of the Government Printing Office.

A uniform code has been drafted for adoption by states and cities. Its many thousand details provoked as much argument between the framers as an atomic bomb discussion at a United Nations' session. Agreeing on colors and style of pavement markings may seem easy but each state is sure that its pattern is best. Hand signals were another stumbling block until the final decision to recommend the three-position system. "In our schools we teach one position, arm straight out for everything, so now we must educate a new generation." another protested.

"Why should we change our laws to agree with the wild and woolly West?" a New England spokesman asked. "We were a state when only buffalo were pounding over those prairies."

### Compromise for uniformity

STATES are jealous of their customs and rights but realize that compromise is necessary to obtain uniform laws for all. Differences have been patiently ironed out. The big job has been finished but the work will never end. Transportation never stands still and a code must be kept abreast.

The model code is divided into five sections, called "acts," each of which may be enacted separately by a state legislature. They are: 1. State administration. 2. Drivers' licenses. 3. Owners' civil liability. 4. Safety responsibility, and 5. Safe operating rules.

Thirty-one states have adopted one or more sections and a dozen more have adopted sections without entire uniformity. Certain of its provisions, such as uniform road signs, are obligatory now on federal-aid highways.

Much will be done in 1949. Congress and 44 state legislatures will meet. The uniform code will be on the docket of each of them. Official commissions in Arizona, Idaho, Illinois, Iowa, Michigan, Texas, District of Columbia, Wyoming and Wisconsin have completed their studies and more will be ready to report before their legislatures meet.

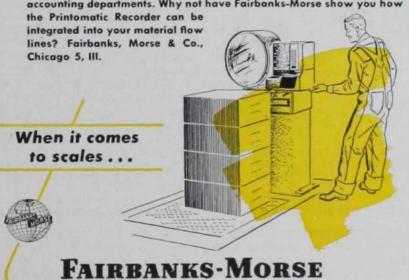
What is accomplished toward these uniform laws concerns all whose business or pleasure is linked with highway transportation, including 53,000,000 car drivers and three times as many pedestrians, which means everybody in the United States.



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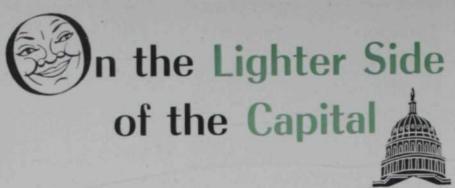
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### The new look at 1600

IF a faint tone of deprecation may be tolerated in a consideration of an excellent human being, it is that the Washington correspondent is occasionally a mite stuffy. He is probably right in his judgment of men and affairs but he is sometimes infernally Jovian. It is worth noting, therefore, that there has been a change of tone in the forthputtings of those who cover the White House.

At the Press Club bar—(adv. Good Drinks 40 cents. Mixed by masters.)—they do not speak of him as Harry nowadays. They call him Mister President.

There has been no observable change in Mr. Truman. If he has



aged in the termite-infested wood of the White House it does not appear. The lines of care are showing on the correspondents. They had been looking on him as a right nice little guy who

dug a cistern and struck oil and were reasonably affable when he pulled what seemed to them a boner. And then, to quote a line from one of the greater poems of America, "he went through his field like shot through a goose" and continued to be what he had always been. The matter is requiring thought.

### The Second Hundred Days

AN incoming President has a prescriptive right to a honeymoon with Congress. He is so busy with his delightful adjustments that he sustains a kind of arteriosclerosis in reverse. His arteries are filled with pleasure instead of pain. Congress is getting acquainted with the new members and sorting out committee jobs and setting up the pins in the new alley. The routine

of addresses and reports keeps everyone busy, the big fights to come are just noises in the cellar and the hostesses are starting their round of parties. A world panic made Roosevelt's First Hundred Days possible.

The current question is: what will be Truman's Second Hundred Days? Reasonably diligent inquiry at the Press Club bar leads to the conclusion that the correspondents do not know. If Truman is cast as the groom in this honeymoon analogy, Congress must be the bride and there are at least a dozen questions which might lead to sulks at the breakfast table.

### Item of folklore

IN CASE the President should get a touch of the weevils, a \$1,000,000 penthouse is waiting for him at Walter Reed Hospital. That's what they call it at the hospital, anyhow. It has every doodad possible and a view in all directions. Nothing is too good for the President of the United

Nothing ever gets wrong with him, anyhow.

The \$1,000,000 penthouse is only used by an occasional Very Important Person.
The only way a

V.I.P. can get in is by presenting a note signed by the President.

### Grief for the generals

WHEN the word got around that Col. Louis Johnson was being considered for the post of civilian head of the Army, in the event of a Cabinet shake-up, the flags at the Pentagon were metaphorically flown at half-mast. No one ever got in the hair of more staff officers than he did when he was a major in World War I. He ran into a mess of circumlocutions and confusions

and petty obstacles when he was out to get ammunition for an artillery battery and almost literally took what he wanted at the point of a gun. When he got into trouble he defended himself with such vigor that he was ordered to write a report on what was the matter with the Army and although it was too hot to publish it was standard for staff consultation until he became Assistant Secretary of War under Roosevelt.

### Just a little sample

THE PENTAGON may not be the largest building in the world. It may not cover more land or have

the largest office acreage. But if there ever is a competition for building size it might be worth while to buy a ticket on the Pentagon.

The records of the United States

Government, so far as discovered, de-musked, dried out and pasted up, would fill six Pentagons. Corridors and all. Fill the offices and halls with out-dated junk like the old houses that are sometimes discovered by the police, with a moldy refugee from life hidden in the raffle of rusty bicycles, Godey's Ladies Books and old newspapers. Enough of that typewritten garbage, perhaps, to load all the merchant ships which fly the American flag. This does not include the really worth-while records, which will eventually be hived in the new Archives building on Pennsylvania Avenue-except for the unfortunate fact that it is already filled to the rafters. All of that stuff has been held in the kindly hope that someone, sometime, will want to look at one of the billions of documents. If someone did there are probably not enough unmarried females in the United States to find the right sheet.

### Love finds its way

ONE of the things that enthrall the 25 task forces of the Hoover Commission on reorganizing the government is the universal good will that has marked it since it was first set up:

"'Little children, love one another' would be a more suitable national motto than 'E pluribus unum.'"

The Government has been hellbent to make somebody happy ever since tax collecting ceased to be a hazardous occupation. Not all of most incredible hodgepodge of disthe boards, commissions, authorities, corporations and whatnots have been identified yet. They number in the thousands. But so far as has been discovered they all seethe with helpfulness. The only outfit which was deliberately planned to make anyone uncomfortable is the General Accounting Office, which was planned to audit a little here and there. It has the social standing of a Gila monster with the rest of the Government.

#### Reference to a flop

THE task forces, incidentally, are burrowing into the records of the UNRRA. Or would burrow if they could get them collected. The UNRRA was dissolved, excommunicated and regretted two or three years ago. It would have been money in the American pocket if the Government had said to itself:

"Burn the books, fire everybody, and let the tail go with the hide."

But the UNRRA is still alive in handsome quarters on Connecticut Avenue. Five will get you three that it will still be operating long after the Hoover Commission has closed its books and gone home.

#### "There is still hope!"

REMEMBER Doctor Munson-was it Munson, now?-whose uplifted finger in the advertisements of 25 years ago assured sufferers that a few bottles might fix 'em even yet? The Hoover Commission will make its report this month and follow the first blast with other blasts at intervals. It will show that the Government is and has been the



organizations conceivable. The commission has the support of both the major parties and President Truman is as warmly in favor of it as is ex-President Hoover who heads it.

If you feel like betting that something will come of it you'd better take your money and buy a farm. Ever hear of a bureau chief?

#### Those burning memories—

MADAME Chiang Kai-Shek is a lovely lady. She rolled Washington like a hoop on her last visit. Congress-broadly speaking-is always a pushover for a pretty woman, and Congress kissed her fingers. Some of the hostesses who serve champagne like water from the branch fishwived for the privilege of putting on a show for her. But in one hospital nurses can be found who would sprinkle rat bane in her chow mein if they could.

'She was," said the head nurse of this hospital, "the toughest patient we ever had.

"All the patients were routed out of one floor to make room for her. Every time she got out of bed all the sheets had to be changed. Every noise must be stifled. Her own servants waited on her and we waited on the servants.

"And she wasn't very sick at that."

#### And Truman knows it

THE STORIES of the waste of our national resources after the war are tough enough to scare a wildcat. Millions of dollars worth of new-condition material were burned or dumped into the water or forgotten in jungles. The defense that it would cost more to bring this stuff home than it was worth was simply a black lie.

Truman knows these things and resents them and will support a really honest inquiry.

But that is about all he can do. His time is measured out in 15 minute takes during the day. He has gotten rid of as much protocol as possible but he is being everlastingly forced to make speeches and otherwise show himself in public. He gets up at six o'clock, walks a couple of legs off the Secret Service at seven o'clock, and if he ever got a chance he would be in bed by nine at night. One of the aims of the Hoover reorganization plan is to fix it so the President can have a little time for the big things of his job. Even if he only gets two unbothered hours a day.

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#### The Mine That Shook the World

(Continued from page 44) capital and equipment to mine and mill the ore and refine out of it the first radium produced in the Western Hemisphere.

At that time, the only world source of radium was the Belgian Congo, and the Belgian Government held a tight monopoly on its production and price. When the Belgians heard of LaBine, they proceeded to drop the world price -not appreciably at first, but to a level where they reckoned he couldn't operate commercially from such a remote region.

#### Organized transportation

LABINE'S answer to that was characteristically New World. He organized his own transportation system, involving the use of the power boats, barges, oil tankers, and aircraft, that is now known as the Northern Transportation Company, and the Eldorado river fleet today numbers 16 tugs and 65 barges. This company built the first steel boats on the Mackenzie, boats with such names as Radium Queen, Radium Scout, and Radium Lad. Pipe lines were laid over the Bear River rapids and storage tanks installed at both ends. Over a period of years, LaBine cut down transportation costs from \$400 to \$100 a ton, and by the time the erstwhile monopoly gave up fighting, he had driven down the world price of one gram of radium from \$70,000 to \$25,000.

By 1939, Port Radium was a well established mine. That was the year, too, when the uranium atom was first split and when a little paragraph in the company's report announced that "efforts to develop new uses for our products have continued."

But the use of uranium was not known to be so imminent; radium was still the chief product, 90 per cent of it being for export, and, within 12 months, the dislocation of world markets by the war forced mining operations to be suspended. Only two watchmen remained at Port Radium through the long winters.

Nearly two years went by before the tremendous implications of fission were grasped. In the spring of 1942, the Eldorado mine was reopened with a minimum of publicity, but it was months before the water was pumped out and operations were brought back to full production.

Miners and management officials simply were told that their jobs were important. One engineer at the mine says he didn't know what use was being made of the pitchblende concentrates until the secret was revealed in August, 1945 "We were promised priorities on men and materials," he says. "Of course, everybody in war work was promised priorities, but when ours actually worked without any nonsense, I knew we were on something big."

Just how big it was they could only guess. They were nearly as surprised as anybody else when a Berlin broadcast by the late Lord Haw-Haw in 1943 told the world that the Japs would soon "blast Port Radium and Norman Wells off the map."

Early in 1944, all properties and assets of the company were expropriated by the Canadian Government. Although LaBine, now retired in Toronto, is still a nominal director, Eldorado is operated as a crown company in much the same way as the Canadian National Railroads or the Canadian Broadcasting Corporation.

Many of the original technicians at the mine have stayed with it, and have seen Port Radium grow into a small "township." Extensions to the plant building have been made to cope with expansion and the shaft has been deepened to provide additional levels. Port Radium's production has been an official secret since 1941, but a 1947 handbook of the Canadian Department of Mines and Resources gives the total production value of pitchblende products up to the end of 1946 as \$5,805,000. This figure, however, may or may not include the five years of production from the end of 1941. Our share in this is also a secret; about all that can be said is that a certain proportion is shipped across the border into the United States.

The same necessity for secrecy on production affects any statement on the number and kind of employes at Port Radium. A general indication on the kind of people who live there is that the settlement fits well into the general pattern of the rest of the Northwest Territories, where about 45 per cent of the population is under 20 years of age, and the next largest

group is the 15 per cent who are between 20 and 30 years old.

Twice each day the underground shifts go down to the wet tunnels which burrow through the rock under the bed of the lake. Up top, temperatures climb to 80 degrees in summer and drop in winter to 40 below zero, but in the mine all year round they hover between 32 and 40 degrees.

Below ground, the bedlam is a startling contrast to the weird silence that exists in the great solitudes of the Barrens. Against the unending background of the pumps emptying away the lake seepage, there is a clatter of drills and automatic muckers as the men work at the shining ribbon of pitchblende, a ribbon which has the hardness of steel and the weight of lead.

Every man, when he comes off a shift, takes an artificial sunray bath, and the same treatment is available for everybody at Port Radium during the long months of winter twilight and darkness. For this is a part of the world where the sun dips only slightly below the horizon in summer, but scarcely appears at all for three or four months of the winter.

#### Stock up in summer

SEVENTEEN families live at Port Radium, all of them brought in by air at the company's expense. Family shopping is no considerable problem. As far as possible, every housewife stocks up with cases of canned goods and staples brought in on the river during summer, but mostly they buy at the company's commissary, which is Port Radium's department store. Here, at Edmonton wholesale prices, they can find everything from clothing to candy bars, from beef steaks to pretzels. The company bears the cost of freight.

Commissary profits go into a recreation fund which has already helped to pay for the billiard tables in the community hall, for two bowling alleys and a curling rink. Such profits also buy books for the library and the movies which are shown every Friday night.

Some of the wives work for the company. One is a stenographer in the mine office, another works in the commissary, another is assistant postmistress, another an assistant in the mill laboratory. Since most of them have lived in other mining camps, they don't see much unusual at Port Radium, except there is literally no place to go, and, outside the annual month's holiday, the biggest spree is an occasional week end in Yellowknife, two hours' flight away.

Yellowknife, by northern standards, is quite a town. It has a population of nearly 4,000 and a modern 40 room hotel, built in 1946. Gold mining prosperity has seen to it that it also has the fanciest bar north of the U.S. frontier—an enormous place finished in mahogany veneer with red leather chairs. It does a thriving trade in "rye highs," mixtures of rye whisky and bitters, and a cocktail of undetermined ingredients called "The Mucker's Special."

Mostly, however, Port Radium people stay close to home, even the unmarried men and those who have left their families "outside." This is not merely because of its isolation. Every worker is picked not only for his efficiency but for his ability to adjust to conditions in a remote outpost, where it's vitally important that the small things of an intimate communal life be in harmony.

Personal records are checked carefully before a man is taken on, but the racial background of Port Radium miners looks like an international roll call. Most of them are of European origin-Ukrainian, Russian, Polish, Latvian, and German-all with years of experience at hard-rock mining. All come on 12 month contracts, but none of these miners (who are paid by the hour) is encouraged to stay longer. As one of them succinctly put it, "One day you suddenly find that an Indian squaw looks attractive. Then you know it's time to go 'out.' "

#### One policeman on post

ONLY one "Mountie" is stationed at Port Radium. He has never had to use his revolver, and, in five years, there have been only three arrests-one for petty theft, and the two others for drunkenness. As things have turned out, his main duties are to "protect" the local Hare tribe of Indians and see to it that their treaty rights of being the only people to hunt in this region are maintained. Other than this, the policeman doubles in brass as game warden, registrar of vital statistics, mining recorder, and commissioner of oaths.

Much the same sort of situation confronts the local doctor. Twice a year, in the spring and fall, when new miners arrive to replace those going out, there's an outbreak of colds and minor ailments. After they've run their course, there isn't a cough or a sniffle for another six months. Vitamin tablets, served

with every meal, may have something to do with this, but isolation and the cold pure climate of the North are the main factors.

The doc has so little to do that he's also the local justice of the peace, with power to perform marriages and collect small debts. This doesn't seem to add to his work, however. So far, there haven't been any marriages and although there have undoubtedly been some roaring poker games, nobody has had to go to "the law" for help in collecting his winnings.

#### Hospital is little used

MINE accidents have been rare. The main use of the hospital, in fact, has been for births. Little Anna Spicer, daughter of the local metallurgist, was the first child to be born in Port Radium. That was four years ago; there have been several new arrivals since then, and many other children have come in from outside.

Since the schoolhouse was built, there have been no problems about education. Before then, each mother had to be her own children's schoolmistress and use the correspondence courses sent out by the Alberta Department of Education.

The children take their life very prosaically. In other mining settlements, the tangible results of work are easy to explain: nobody in Port Radium has yet found a way to explain how the black dust which the children see being shipped out has a direct connection with Oak Ridge, the Manhattan Project, and, in the last analysis, with Hiroshima and Nagasaki. It is easier to talk about Aladdin's lamp and other legendary treasures.

There are also some questions, closer to home life, which are equally hard to explain. Last Christmas, the logging crew—which ranges for hundreds of miles by plane, looking for precious timber—brought back a small spruce tree. Suitably decorated, it formed the center piece for the annual party in the recreation room.

When the party was over, one child asked its mother, "How shall we know when Father Christmas has been?"

"In the morning, dear," said the mother, and then remembered that there would be no morning. Day does not dawn on Christmas Day, so she added, "When the alarm clock goes off."

Or, as a rueful miner put it, "The only difference between one night's party and the morning after is the headache."





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ZONE STATE

#### Uncle Sam Counts the House

(Continued from page 39) basis, or on a combination of the two. No matter what the basis, some will get in trouble. During the 1940 census of population, when enumerators were paid four cents a name, more than one spent his afternoons in the corner tavern making up fictitious names and paying for his drinks with the proceeds. On the other hand, when paid by the hour, some enumerators feel a strong urge to spend at least some of their hours in the local ball park. The method that seems to get the best results is the hourly rate, adjusted to local conditions, with a piece rate above a certain quota.

#### Conscientious workers

IT IS easy to criticize enumerators who do as little work as possible. But a surprisingly large number are above average in ability and perseverance. The prize for stick-to-it-iveness should go to one of the enumerators in the last business census, who tracked down retailers with all the zeal of Stanley searching for Livingstone.

Assigned a territory which consisted largely of rocks along the Maine coast, where tides rise higher and fall lower than anywhere else, this enumerator heard that a general store was operating on a small island offshore. Since there was no public transportation to the island, he rented a rowboat and rowed himself out, tying the boat to a convenient pier. Having found the store and enumerated it, he returned to find his rowboat hanging by its painter in mid-air beneath the pier. By the time the tide came in and the enumerator got back to the mainland, it was well past midnight; but he had a completed questionnaire.

Other enumerators have used their ingenuity to get the job done in a hurry, particularly when a bonus was in sight.

In the same census, a traffic cop in Princeton, Ind., took a parttime census job. He trapped practically every business man in town at a chamber of commerce meeting, explained what he wanted, passed the questionnaires around, and had most of the returns by the next day.

Of course, the questionnaires could be mailed out to the respondents, and this is generally done for the census of manufactures. United States Chamber of Com-

But for the business census it was not considered practical, first, because there is no complete mailing list, and second, because so many small firms will probably need help in answering the questions. The experience with mail questionnaires shows that they are returned with every conceivable type of mistake and misunderstanding. Frequently, blank spaces are left or the answers are inconsistent with each other, when, for example, a manufacturer reports that he got 1,000 tons of steel for a total outlay of \$100.

Some people persist in misunderstanding what the questionnaire is all about. One questionnaire was returned accompanied by a very substantial check and an apologetic letter explaining that there had been an error in the company's last income tax return, for which the check was to atone.

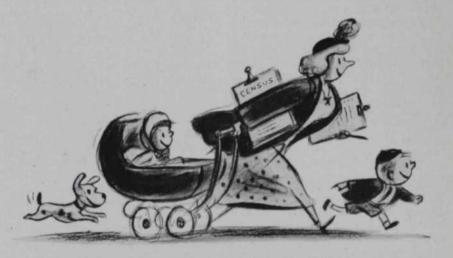
This is probably as good a place as any to mention that information given to the census cannot be

merce, the Census Bureau, and 11 local chambers. The first volume of statistics was published by the U.S. Chamber, which has been an active supporter of the program ever since. The experiment was such a success that, with the active support of President Hoover. legislation was passed providing for a full-scale business census in 1929 and every ten years there-

Under the law passed in 1948, both manufactures and distribution will be covered by simultaneous censuses in 1953 and every fifth year thereafter.

#### Easier to answer

WHEN the census-taker calls early in 1949, he will be carrying an assortment of questionnaires tailored to fit most types of business-and he will have a surprise for most of the smaller firms: a short form that really is short. In 1939 the "short form" filled four pages of fine print. In 1948, the census of manufactures form measured 321/2 inches, according to a yardstick-carrying congressman who added, "If I can get a copy of this form for every member of



Many of the enumerators will be students and housewives

divulged to anyone, except employes of the Census Bureau who take an oath of secrecy. It cannot be used for income tax investigations, commission regulation, or any other purpose. It may be published only as totals for three or more companies. The Census Bureau applies the strictest possible interpretation to these rules, and the threat of two years in jail hangs over any employe who transgresses.

The first experimental business census was taken in 1926 through the cooperative efforts of the Congress to see, there will never be another census."

This delicate hint was not lost on the Census Bureau which set to work with scissors, and came up with a retail form so short that it has only three questions requiring a statistical answer. Sales, payrolls, and employment-that's all. These are figures that any proprietor should have handy after the end of the year, what with income taxes looming on March 15.

Unfortunately, not every retailer will be so lucky. A lot more information is needed for the complete census, and the Bureau has to get it from somebody, so a long form to extract detailed information will go to every retailer whose 1948 gross sales amounted to \$100,000 or more. Then, to make sure that the characteristics of small firms are represented, the long form will also be given to every tenth firm in the less-than-\$100,000 category. This sample of small firms will be selected at random, and the enumerator will not be responsible for the selection, although he will probably be blamed for it.

Other questionnaires have been prepared for non-retailing businesses. There will be five wholesale forms, for industrial distributors, agents and brokers, bulk petro-leum dealers, marketers of farm products, and general merchant wholesalers. The specialization in forms arises from the specialization in business; questions which might be pertinent to the petroleum distributor would be nonsensical if applied to a wholesale vegetable dealer. Similarly, there will be special service forms for hotels, amusements, auto repair shops, and laundries, with a general form for all other service businesses.

#### Most business men help

THE Census Bureau anticipates no great trouble in obtaining cooperation from the respondents. Most business men will go along readily when they see the official credentials of the enumerators, and understand that the information they give will be kept secret. A few holdout cases will require tactful handling.

Census officials generally avoid mentioning the fact that the filing of answers to their questions is required by law, and that theoretically a 60 day jail term and a \$500 fine await the man who refuses to give information.

The real reason for cooperation has nothing to do with the law. It's just good sense. The more information we have, the better the individual firms and the business community itself can plan to meet the future-without having it planned for them by some outside agency. In particular, if the business cycle, the alternating boomand-bust, is to be licked, we need to know far more about the relations of costs and sales, profits and employment. It is no wonder then that almost every major business association is advising its members to help make the 1948 business census a good one, through prompt and accurate response to the questionnaires.

# THERE'S A Business Man BEHIND IT



THIS is the children's unit of a Des Moines hospital. It is the gift of a business man.

Do you have a new hospital in your town? A recreation center? A community hall? A playground? A swimming pool?

If you have, you almost certainly will find business men behind it in one way or another. In every town, business men, often only a little honored, only a little sung, give their time and their money to see that the sick have hospital beds; that the kids have a place to play; that young people have a place to meet.

Because the success of every such project depends on teamwork, business men join together, most often in their chamber of commerce. Through it, they get things done for the benefit of the entire community.

YOU will find it easier to participate in such projects if you work with the business and civic leaders of your community. So, if you aren't already a member of the team, get in touch with your chamber officials. They will give you full information.

Chamber of Commerce of the United States of America WASHINGTON 6 • DC



## By My Way

By R. L. DUFFUS



#### New Year's resolution

PETUNIA, the conscientious but practical Duffus pet, says that she has decided to be a good cat during the whole of 1949, except in cases where she would find this personally inconvenient.

#### Save cries of "Beaver"

I AM trying out a new shaving cream, not because I meant to, but because my wife discovered that a cup and saucer, an electric dish washer, or possibly a buffalo robe complete with moths could be had for a sufficient number of box tops. I can see now where I'll have to give up my plan to raise whiskers this winter.

#### Phone that doesn't ring

I HAVE been learning about radio. I did not set out to do this. I did it kind of accidentally after my doctor had advised me to read less for a few days and listen more. My eyes are now back to normal but I am having a little trouble with my ears. I also fear my mind is affected. Radio, as far as I can make out, consists of quizzes in which gigantic sums are at stake, all kinds of music played on all kinds of instruments including the mouth organ, quizzes, news, commentaries on the



news, quizzes, bedtime stories, interviews with famous people, a little advertising now and then, and quizzes, in which both money and goods beyond the dreams of avarice are to be had for the answering.

I do not object to any of this. It has all become an American institution like the Fourth of July and baseball and peanuts. All I want to say is that when one listens to it

practically all day long he begins to have funny feelings in his head. My head, as far as I can judge, looks the same outside, but it seems to me to be full of tunes, speeches, recipes, miscellaneous advice, and a quantity of goods such as electric refrigerators, perfume, instant pie crust and fur coats. But nobody—absolutely nobody—has yet called me on the telephone and offered me \$7,400 for telling the name of the capital of the United States or the date of the discovery of America.

#### From ox cart to sedan

MY WIFE'S Uncle Frank, a vigorous man of 70, was telling us of a trip he and his family made in 1888, from North Dakota to Iowa. They traveled with a covered wagon and a herd of cows, camping out at night in unfenced country. Uncle Frank and Aunt Bess have been visiting us in the course of a 7,000 or 8,000 mile swing around the country from their home near Los Angeles. They usually drove a modest 200 miles a day, or about ten times as far as Uncle Frank's family could go between sunrise and sunset 60 years ago. But I suspect that what the earlier journey lacked in speed was made up, at least for the little boy on the pony, in fun.

#### Advantages of a log cabin

THE White House has fallen into bad repair and is having to be fixed up. I don't know whether the Democrats or the Republicans did most to wear it out and I am not going to take sides. But it did seem for a while, judging from what was happening to the ceiling in the East Room, the chandelier in the Blue Room, the big marble staircase and numerous other parts of the venerable edifice, as though, purely from the standpoint of safe and comfortable accommodations, a poor boy born in a log cabin might do better to stay there than get himself elected President. He could be sure, at least, of not being troubled by falling plaster.

#### Self-defense for radios?

I HAVE been trying to figure out what to do about the problem created by the Natchez, Miss., man who became tired of the broadcasts to which his wife listenedas he said, "day and night"-and shot his radio. One solution would be to uninvent the radio, but I do not believe this is now practicable. It would be just like undiscovering America, which would be a gain in some respects but a loss in many others. Another solution would be to equip the radio with a shotgun, so that it could defend itself. This would be dangerous. The best way out, I should say, would be to make all radio programs so good that no one would be unwilling to listen to any of them at any hour. I am taking this up with the radio industry.

#### Scales-social and musical

I DO NOT wholly agree with the findings of Dr. Karl F. Schuessler of the University of Indiana that persons in the higher social and economic brackets like classical music, whereas lower in the social and economic scale jazz and hillbilly music are preferred. I go by my own case. I have been all over the social and economic scale. Once I was down to my last dollar and survived for a week on boiled macaroni and pepper. Several times I have lived in dizzy affluence on expense accounts. I have spent as little as 15 cents and as



much as \$5 for a meal—the amount spent having little to do with the enjoyment of the same. I have shoveled dirt for \$2 a day and sat behind a desk, doing far easier work for considerably more. But I have always liked about the same kinds of music and disliked about the same kinds. I like classical and light classical, as do the upper classes, I like hillbilly tunes, as do the lower classes. I do not care for jazz. I feel the same way on pay day or before taxes as I do a week before pay day or after taxes.

#### Morning on Times Square

LOOKING OVER the roofs from a high window above one of the busiest intersections in America I suddenly found myself reminded

of Monday morning in my boyhood village. This was before the steam laundry and the home washing machine had made life easier and less picturesque. On Monday the ladies in our village raced to see who would get the family's intimate garments hung out earliest and whitest-or maybe bluest or reddest; and they were honored and respected accordingly. Well, here was a goodly line of really white washing hung out to dry above Times Square. Somebody over there thought what was good enough for mother and grandmother was good enough for her; I wish I knew who.

### Winter—open or closed? I DO NOT know whether this will

be a snowy winter, and I am not going to stick my neck out by making a prediction about that or any other subject. When these lines appear in print the Northeast may be, as we say, blanketed in snow, and, on the other hand, it may not. If I were 12 years old I would hope it would be, because at the age of 12 snow is, or used to be, a distinct advantage. One could dig tunnels in it, make houses out of it, fight harmless (or comparatively harmless) wars with it, and slide downhill on it. One could, and can, ski on it, though in my boyhood this particular menace to life and limb had not been introduced into Williamstown, Vt., or Waterbury, Vt. I wish it had been, because I could then sit around and brag and say that skiing, like so many other things, isn't what it used to be. However, what I would like to say is that at my age I do not wish to wade in snow up to my neck and I do not wish to drive a motor vehicle, or even try to, in deep snow. I am a mean, cantankerous man, and I hope this will be an open winter. But do not quote me, please, as saying that it will be. Or that it will not be, either.

#### Conductor-old style

I TRAVEL by train quite a lot and by air occasionally. I like to have a pretty air line hostess bring me a tray of things to eat or hand me down a pillow and a blanket, but I don't believe anything gives me such a sense of everything being right with the world as an old-fashioned railway conductor coming down the aisle—one of the genial, elderly kind with mellow philosophy written all over his face. I wonder if the air lines wouldn't attract the timid more than they do if they hired a few

such conductors and had them come through and punch the tickets now and then. Of course I wouldn't do away with the pretty hostesses. I would like a conductor and a pretty hostess, too. Then you could send me to the South Pole by airplane and I wouldn't have a moment of uneasiness.

#### Hay still smells good

ONE RURAL summertime spectacle that I have found it hard to get used to is that of a load of hay dashing along at 40 miles an hour on a paved road. Loads of hay did not use to do this, because a horse that could make 40 miles an hour could have found more profitable employment than hauling hayand, of course, a 40 mile an hour yoke of oxen would have commanded any salary, within reason, they wanted to ask for. People didn't use to care to have hay go too fast, especially when it was utilized for a moonlight hay ride. But newmown hay smells just as

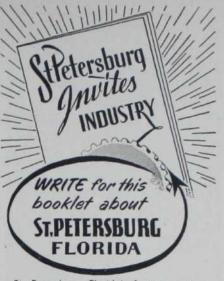


good as it ever did, and I don't suppose any lust for modern improvements will ever lead anybody to try to take that incomparable perfume —sweeter than all the roses of Araby—out of it.

#### Old favorite reborn

A MAGAZINE known to two or three generations of lucky youngsters as St. Nicholas recently came to life in an anthology. Its grown-up contributors had included Rudyard Kipling, Theodore Roosevelt and Henry Wadsworth Longfellow. It invited its child readers to compete for medals (not trips to Europe or television sets) and some of these medals were won by boys and girls who later became famous as writers—both the Benet brothers, for instance.

All this set me thinking of another magazine I knew even better than St. Nicholas. This was The Youths Companion. My brother and I had this, as an annual gift, for several years. When it arrived —on Tuesday, I think—there would have been bloodshed if we hadn't hit on a bright idea: my brother would read one story or article and pass it to me; I'd read



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The Companion's best issue of the year was the premium number, in which everything a boy could want was listed and offered free (minus "postage and packing") for one or more new subscriptions. I never did get any new subscriptions, but I did get a lively notion of what life at its best, for a boy, might be. Alas, I could now get a new pair of skates, an air rifle, a patent mouth organ, a football or a Red Racer sled and not feel much richer. I wonder if any boy today wants anything as much as we used to want things. And I wonder if wanting them and not having more than one or two of them didn't make us happier than we would have been if a millionaire uncle had bought them all for us. But this leads me into thoughts that are too deep, even for an adult.

#### Of mice and presidents

A SCIENTIFIC friend tells me that mice tend to increase in numbers during presidential years. He doesn't believe there is any connection between the two facts of more mice and electioneering. He says there are many sets of facts which can be laid end to end and then made into curves (this is done by heating them and then bending them over a curved surface); and that some of these curves will resemble each other, or the other way round; but that this frequently does not mean anything. But Petunia, the deep-thinking Duffus cat (she often goes down cellar in order to think more deeply), says it is all very simple. She says cats take an interest in politics, and when they are interested in politics they are not so much interested in mice, which therefore tend to increase. She adds she would never vote for a man who is running on the vegetarian ticket.

#### How to get killed

THE National Safety Council has made comparisons between fatal accidents in 1913 and in 1947. If a person was bound to get killed in 1913 he fell out of something, or off something, or down something, as a first choice; and railroads were second choice. Falls are still pretty

place and we must all learn to hang on to the banisters and not climb cherry trees after the age of 80. Railroads are so safe they are hardly in the running. Motor vehicles, as might be guessed, are first. If we would abolish the automobile we would be ever so much safer. But who wants to?

#### The comet menace

HAVE been worrying about comets. When I was younger a comet like Halley's would come when it was expected, put on a show and retire. Now one can hardly pick up a newspaper without reading of some new comet, or at least some comet nobody knew was there until yesterday. A scientific friend with whom I took this matter up says there is no cause for alarm. He says these things have always been going on and that we know more about them now because more people are looking at the sky with better telescopes. It seems to me, however, that the multiplication of comets and the multiplication of telescopes may have taken place simultaneously. It may well be that the heavenly traffic is getting too heavy, that there are too few parking places and that we may be in for some nasty accidents if we don't do something about it. I have written to the Harvard Observatory at Cambridge, Mass., suggesting that we might hang out a few red and green stars. I was crossing the street after mailing this letter when a comet with two eyes and a horn bore down on me and if I had not been agile I would not be here.

#### Whales as pets

I WISH I had a pet whale. The Oceanarium, in Marineland, Fla., has one, and I believe it is the only pet whale in the world. The only whale that is petted by humans, I mean-I have no doubt that good whale parents pet their young. This is a small whale, only seven and a half feet long and weighing only 300 pounds. It is, however, expected to grow to 20 or 30 feet and 3,000 pounds if it will continue to eat the expensive squid which are imported for its table from Boston. Nobody will then want to hold this creature on his lap. Dr. Henry Kritzler of the Oceanarium staff says the whale is probably lonesome, but John O'Reilly of the New York Herald Tribune reports that he looks happy because he has a built-in grin. It would make me happy to have such a whale and I high; they are in the number two even did a little preliminary digging in my back yard for a whale tank. I think we should all have more variety in our pets. But my relatives, friends and neighbors all objected. I may compromise on a goldfish.

#### Head work

I RECENTLY saw a man in a big city subway station wearing a business suit, shoes, an overcoat, a hat and presumably other things that men generally wear in cities. He differed from others I saw that day in only one respect-he carried a fairly sizable bundle on top of his head, and therefore on top of his hat. He kept it in place by balancing it, without using his hands. He had a faintly foreign look, and might have been a Mexican, a Central American or even an East Indian. But he didn't look self-conscious. He looked as though any sensible man in a crowd would carry a bundle, if he had one, on top of his hat; and if others didn't have the sense he had the fact just didn't bother him. I think I shall try this method, beginning with half a pound of butter and working up to the family washing.

#### Five million cute babies

THE Director of the Census, J. C. Capt, predicts that there will be 150,000,000 people in the United States in 1950—or about 5,000,000 more, I believe, than we have now. And it stands to reason that the parents and grandparents of the newcomers (I recently became a grandparent and I know) will think they are just about the cutest things ever.

#### Life on wheels

THE drive-in industry in this country has now reached a point where a motorist may cash a check at his bank; dine; purchase meats, groceries and other goods if he or she has the money, and attend a motion picture show, all without getting out of the car. If this tendency continues the time will come when a new-born infant will be placed in an automobile and never get out of it during a long lifetime, except to change models. At least this will be the case with some infants, because obviously other infants, as soon as they can toddle, will have to be put to work waiting on the drive-in trade and so will never have a chance to get into an automobile. In time evolution will produce two kinds of human beings, one with automobiles but no legs or only rudimentary

ging in my back yard for a whale legs, the other with legs but with tank. I think we should all have more variety in our pets. But my shall never get that far.

#### Longer but colder

I HAVE always admired the ingenious arrangement referred to in the familiar saying: "When the days begin to lengthen, then the cold begins to strengthen." If, after the last week in December, the days got shorter and colder simultaneously it would be too much to bear; indeed, I don't know what would become of us all. Now there is some ground for optimism during the coldest day and some ground for pessimism even when the sun goes behind the barn a minute or two earlier than it did; and this helps to keep us all on an even keel-if, as I fear, I am not mixing my metaphors. However, I am not in favor of Ground Hog Day, the outcome of which is that one is in a twitter from sunrise to sunset, hoping that winter is half over, and more, but fearing that it is not. I would suggest keeping ground hogs underground, where they belong, until spring is actually here, and substituting another day for this annoying occasionfor example, Eat More Potatoes Day or Watch out for Slippery Pavements Day.

#### The prospects for 1949

IN RESPONSE to numerous requests (from my wife and Petunia, the intellectual Duffus cat) for my opinion of the year 1948 and my predictions for 1949 I would like to say that 1948 was better than some years but not quite so good as some others. It was better than any war year but not so good as the year of Washington Disarmament Conference-1921. Some people had good luck and some had bad luck. I had both kinds and am not complaining. So did most of my neighbors, who don't seem to be complaining any more than usual, except, of course, about the weather. The year 1949, I believe. will witness a great deal of weather of various kinds, and I think it will be different in some parts of the country from what it is in other parts. If people want things and have the money to buy them business will be good, and I trust this will be the case. I do not look for the millennium in 1949. I think maybe it will be a few years yet before we get anything exactly like a millennium. But a lot of people of all ages in this country will, I hope, get a lot of enjoyment out of life.





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## Wages Double, Average Freight Rates Lower than After World War I



World War. But the railroads now receive less for hauling the average ton of freight one mile than they received then.

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But it takes large sums of money to make these improvements, more of which are urgently needed. Additional

wage increases are now taking place and, since 1939, the cost of materials and supplies has doubled and continues to rise. Present freight rates-despite postwar increases-are insufficient to pay these expenses of operation and to provide funds for the changes required to reduce costs and improve service.

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